

CITY OF VIRGINIA BEACH

Operating Budget

PROPOSED FY 2024-25



CITY OF
**VIRGINIA
BEACH**

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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 and priorities 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 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.

Format of the Budget

To assist in understanding the contents of this 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, interfund 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, as well as 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.

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.

Identifies the key mission statement of the department.

Department Overview

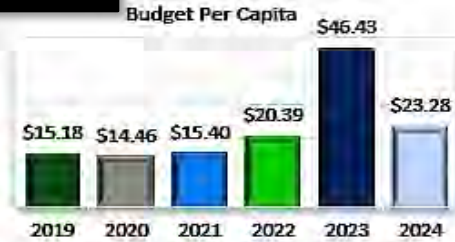
Director's Office

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

Established by City Ordinance, the ARP is to preserve and protect the agricultural lands in the western part of the City. The program is designed to promote the growth and sustainability of agriculture 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. In the fall of 2020, the City Council amended the ARP ordinance to enable the ARP to acquire agricultural zoned land that was previously ineligible for participation in the ARP due to the property's road frontage's location in a floodplain, provided that the rest of the property sits outside the floodplain and is developable. This action will increase the land available in the City that may ultimately be included in the ARP.

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



The increase in FY 2021-22 and FY 2022-23 and decrease in FY 2023-24 are related to the pass-through payment of principal to landowners from the original ARP acquisitions, this amount will fluctuate annually.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | 2019 | 2020 | 2021 | 2022 | FY 2023 EST | FY 2024 PROJ |
|--|-------|--------|--------|--------|-------------|--------------|
| Total market space leased at Farmers Market | 100% | 100% | 100% | 100% | 100% | 100% |
| Total acres in the Agricultural Reserve Program | 3,287 | 10,388 | 10,416 | 10,716 | 10,716 | 11,106 |
| Total annual visitors to the Agriculture Educational Heritage Center | 1,444 | 0 | 500 | 1,500 | 1,500 | 3,000 |

Provides details on department's performance metrics over time.

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities. The survey also included questions developed specifically for Virginia Beach to gain insights on issues important to the community. The following table provides how Virginia Beach compares to the Atlantic Region and the National Average for a few of the survey findings.

Provides details on the City's Resident Satisfaction Results.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73% | 38% | 40.6% |
| Overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |
| How well the City is managing growth | 31.6% | 34.6% | 39.7% |



Trends and Issues

→ Agriculture Reserve Program (ARP)

The Agriculture Reserve Program (ARP) is designed to maintain agriculture as a viable industry in Virginia Beach by preserving the resource base for farming. Agriculture is Virginia's largest private industry. The City finances the ARP costs through the purchase of U.S. Treasury Securities (STRIPS). The U.S. Treasury's Trading of Registered Interest and Principal of Securities (STRIPS) allow the City to minimize upfront costs of the program. The interest that accrues on the initial STRIPS purchase is the payment that will be needed to compensate the landowner at the end of the 25-year payment plan. Over time, the interest rate and STRIPS values have fluctuated based on the market. Higher interest rates equate to lower buy-in rate to fund the 25-year STRIPS that is purchased to fund the easement value. In comparison, a lower interest rate equates to a higher buy-in amount to mature for the easement value. In mid-January, the interest rate was approximately 3.82% with a buy-in rate of 38.738 cents on the dollar.

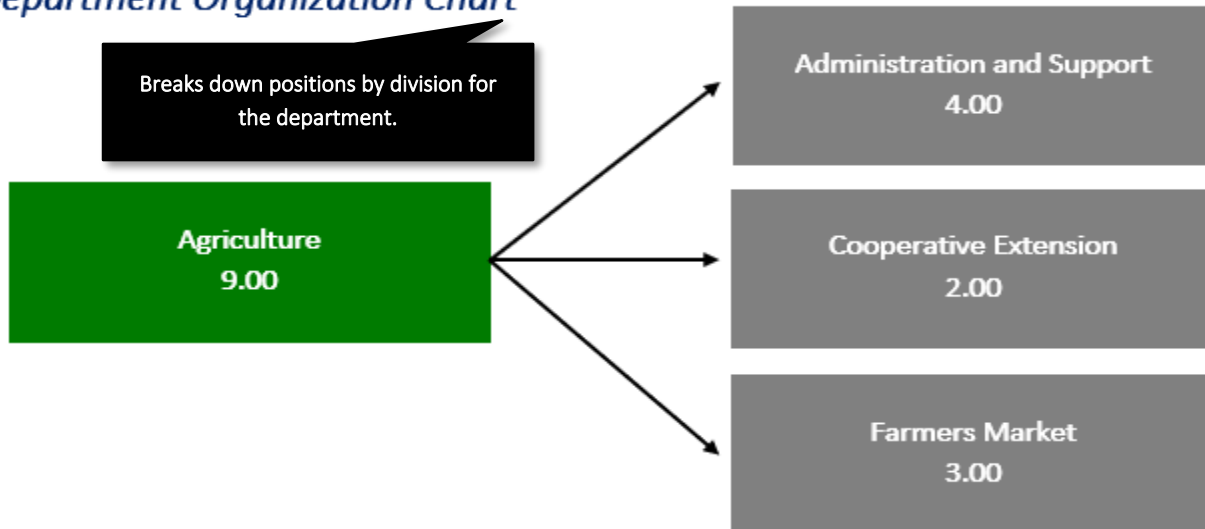
Provides detailed information about recent trends impacting the department's operations.

Major Budget Changes

| Change | Impact |
|--|--|
|  <p>Farmer's Market Position Consolidation \$15,923</p> | <p>The Farmer's Market operations have historically been maintained by two full-time staff members. Agriculture has experienced a significant change in the number of part-time positions filled creating gaps in service coverage. The two part-time positions are merged into one position that will allow longer periods of employment. This change is expected to result in a more consistent level of service provided for the Farmer's Market. Continuity of this service ranked fairly high in importance per the 2022 City of Virginia Beach Resident Satisfaction Survey.</p> |
|  <p>ARP Principal Repayment \$5,471,545</p> | <p>The first purchases made through the ARP occurred in FY 1996-97. The 25-year term on the initial purchases came due in FY 2021-22. The City, via its agent and registrar, will receive principal payments on its STRIPS purchase from the U.S. Treasury. This payment will be transmitted to the individual landowners. An appropriation is made in this year's budget within the City Debt Fund and transferred to the ARP Fund so that these funds, \$1.47 million in total, may be received and paid out.</p> |

Provides information about significant changes in the department's budget from the prior year.

Department Organization Chart



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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 financial 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 balance/net position, 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 proceeds of specific revenue sources that are committed or restricted to expenditures 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 – These funds are used to account for financial resources that are restricted, committed or assigned to expenditures 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 to account for any activity that provides goods or services to other funds, departments, or agencies, or to other governments on a cost-reimbursement basis. Examples: City Garage and Risk Management Internal Service Funds.

Fiduciary Funds

Fiduciary 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 government units. The City’s Fiduciary funds are divided into two separate fund types: the Other Postemployment Benefits Trust Fund and Custodial Funds. Example: Health Insurance Trust Fund.

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, a Triple-A bond rating, and relatively low per capita spending. The Resource Management Plan will continue City Council’s basic fiscal policies for fiscal year 2024-25:

- 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? 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?

After budget requests have been thoroughly reviewed, a recommendation is forwarded to the Management Leadership Team (MLT) consisting of the City Manager, Assistant City Manager, and Deputy City Managers and the respective

department director. Thereafter, budget hearings are held to facilitate discussion among the requesting department, Budget and Management Services, and the MLT for review of the department'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. The departments that administer the CIP present their requests to the MLT. Requests for additional funding for existing projects or new projects are prioritized 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 Stormwater) 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 unassigned fund balance.
- The unassigned fund balance or unrestricted net position 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 unassigned fund balance in their general fund of no less than 5% to 15% of regular general fund operating revenues, the city shall maintain an unassigned 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 rights-of-way, 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 3.0% 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.

**City of Virginia Beach, Virginia
Expenditures and Revenue Summary**

| | FY 2022-23 | FY 2023-24 | FY 2024-25 |
|--|---------------|-------------|-------------|
| | Final Actuals | Amended | Proposed |
| FD100 General Fund | | | |
| Appropriation Units: | | | |
| Agriculture | 907,984 | 1,030,686 | 1,103,606 |
| Board of Equalization | 1,281 | 2,774 | 2,566 |
| Budget and Management Services | 1,227,076 | 1,444,106 | 1,585,196 |
| Circuit Court | 1,389,165 | 1,597,600 | 1,654,421 |
| City Attorney | 5,623,158 | 5,558,346 | 6,083,052 |
| City Auditor | 1,072,925 | 1,082,313 | 1,127,387 |
| City Clerk | 659,982 | 680,705 | 742,847 |
| City Manager | 2,988,670 | 3,709,631 | 3,834,150 |
| City Real Estate Assessor | 3,061,675 | 3,626,623 | 4,106,409 |
| City Treasurer | 7,299,963 | 8,171,023 | 8,454,552 |
| Clerk of the Circuit Court | 4,441,928 | 4,984,285 | 5,284,832 |
| Commissioner of the Revenue | 6,546,559 | 6,461,841 | 6,964,109 |
| Commonwealth's Attorney | 10,956,182 | 12,943,415 | 13,772,758 |
| Communications Office | 2,729,526 | 3,011,915 | 3,651,592 |
| Community Organization Grants | 510,417 | 707,960 | 498,966 |
| Computer Replacements | 2,488,182 | 3,087,214 | 0 |
| Convention And Visitors Bureau | 9,507,499 | 10,822,283 | 11,370,841 |
| Cultural Affairs and Historic Houses | 2,961,541 | 3,485,605 | 3,486,641 |
| Debt Service | 48,059,111 | 59,311,299 | 63,095,110 |
| Economic Development | 7,059,488 | 6,135,034 | 4,783,036 |
| Emergency Communications and Citizen Services | 10,702,370 | 12,077,427 | 12,887,357 |
| Emergency Management | 1,026,404 | 1,760,675 | 1,930,774 |
| Emergency Medical Services | 18,122,019 | 24,282,868 | 24,953,670 |
| Employee Services | 8,154,434 | 8,877,040 | 9,127,040 |
| Finance | 7,028,423 | 6,580,172 | 7,635,187 |
| Fire | 74,353,792 | 72,283,555 | 79,343,100 |
| General District Court | 450,518 | 531,845 | 491,097 |
| Health Department | 3,898,788 | 3,952,202 | 4,260,366 |
| Housing And Neighborhood Preservation | 7,116,607 | 7,600,449 | 8,515,877 |
| Human Resources | 5,956,550 | 8,134,722 | 8,349,635 |
| Human Services | 124,997,781 | 138,432,850 | 147,628,739 |
| Independent Financial Services | 208,165 | 188,638 | 194,674 |
| Information Technology | 25,161,569 | 26,416,610 | 25,500,746 |
| Juvenile and Domestic Relations District Court | 210,412 | 217,841 | 195,199 |
| Juvenile Probation | 893,661 | 1,476,718 | 1,416,434 |
| Leases | 3,385,754 | 3,780,869 | 3,780,869 |
| Library | 18,849,089 | 21,137,314 | 21,675,572 |
| Magistrates | 40,008 | 48,573 | 43,982 |
| City Council | 607,596 | 579,557 | 793,772 |
| Office of Performance & Accountability | 922,538 | 912,775 | 1,010,664 |
| Parks And Recreation | 15,569,776 | 37,372,449 | 42,007,267 |
| Planning | 12,105,988 | 14,507,740 | 15,816,675 |
| Police | 118,523,260 | 123,832,983 | 132,364,680 |

| | | | |
|-----------------------------------|----------------------|----------------------|----------------------|
| Public Works | 88,800,162 | 106,847,705 | 111,676,505 |
| Regional Participation | 10,575,651 | 11,504,277 | 11,895,473 |
| Reserve for Contingencies | 294,700 | 4,552,066 | 12,750,000 |
| Revenue Reimbursements | 11,988,542 | 15,084,044 | 16,611,925 |
| Subscriptions | 7,169,295 | 9,805,644 | 0 |
| Transfer to Other Funds | 558,569,103 | 601,790,221 | 601,781,834 |
| Vehicle Replacements | 4,342,065 | 6,000,000 | 6,000,000 |
| Virginia Aquarium | 13,064,825 | 16,470,538 | 16,842,171 |
| Voter Registration and Elections | 3,341,325 | 2,776,010 | 3,894,159 |
| General Fund Appropriation Totals | <u>1,275,923,482</u> | <u>1,427,671,035</u> | <u>1,472,977,514</u> |

Revenue Sources:

| | | | |
|--|----------------------|----------------------|----------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 42,897,837 | 52,705,150 | 54,694,930 |
| Utility Taxes | 40,543,326 | 43,125,249 | 42,327,354 |
| Permits, Fees, and Regulatory Licenses | 9,831,635 | 9,453,844 | 9,720,511 |
| Fines and Forfeitures | 1,350,460 | 1,497,541 | 1,351,833 |
| Miscellaneous Revenue | 4,677,813 | 5,685,004 | 8,362,741 |
| Personal Property | 193,664,197 | 208,222,299 | 206,725,457 |
| General Sales Tax | 89,501,992 | 91,916,310 | 93,281,986 |
| Hotel Room Tax | 11,128,383 | 11,245,386 | 11,477,696 |
| Business License | 59,049,240 | 58,742,554 | 62,625,915 |
| Real Estate | 619,638,689 | 669,607,745 | 700,281,996 |
| Cigarette Tax | 7,914,589 | 7,260,669 | 6,993,331 |
| Other Taxes | 12,054,400 | 15,914,203 | 13,355,795 |
| From the Use of Money and Property | 13,227,346 | 8,529,849 | 13,340,575 |
| Automobile License | 10,753,542 | 10,769,956 | 10,639,555 |
| Restaurant Meal Tax | 58,695,489 | 58,729,025 | 62,047,929 |
| Revenue from the Commonwealth | 127,860,873 | 132,721,758 | 134,299,832 |
| Revenue from the Federal Government | 25,974,233 | 24,555,357 | 25,492,274 |
| Specific Fund Reserves | - | 1,734,776 | 2,470,562 |
| Transfer In | 14,950,506 | 15,254,360 | 13,487,242 |
| General Fund Revenue Totals | <u>1,343,714,549</u> | <u>1,427,671,035</u> | <u>1,472,977,514</u> |

FD115 School Operating Fund

Appropriation Units:

| | | | |
|--|--------------------|--------------------|----------------------|
| Debt Service | 46,409,024 | 50,071,611 | 50,071,611 |
| Public Education | 843,107,849 | 919,417,582 | 937,988,437 |
| City Manager Reserve | - | - | (5,866,750) |
| Transfer to Other Funds | 16,712,227 | 16,665,512 | 19,518,825 |
| School Operating Fund Appropriation Totals | <u>906,229,100</u> | <u>986,154,705</u> | <u>1,001,712,123</u> |

Revenue Sources:

| | | | |
|--------------------------------------|--------------------|--------------------|----------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 1,019,300 | - | - |
| Miscellaneous Revenue | 2,927,526 | 3,968,341 | 4,457,538 |
| From the Use of Money and Property | 332,074 | - | - |
| Revenue from the Commonwealth | 424,442,823 | 455,402,658 | 455,947,171 |
| Revenue from the Federal Government | 18,437,704 | 13,500,000 | 14,744,107 |
| Other Financing Sources | 607,655 | - | - |
| Transfer In | 456,349,439 | 513,283,706 | 526,563,307 |
| School Operating Fund Revenue Totals | <u>904,116,521</u> | <u>986,154,705</u> | <u>1,001,712,123</u> |

FD150 Flood Protection Fund

Appropriation Units:

| | | | |
|--|---------|------------|------------|
| Debt Service | - | - | 11,897,266 |
| Reserve for Contingencies | - | 30,750,997 | 19,379,573 |
| Transfer to Other Funds | 495,000 | 1,000,000 | 1,000,000 |
| Flood Protection Fund Appropriation Totals | 495,000 | 31,750,997 | 32,276,839 |

Revenue Sources:

| | | | |
|--------------------------------------|------------|------------|------------|
| Revenue From Local Sources | | | |
| Real Estate | 26,861,368 | 31,750,997 | 32,276,839 |
| Flood Protection Fund Revenue Totals | 26,861,368 | 31,750,997 | 32,276,839 |

FD190 General Debt Fund

Appropriation Units:

| | | | |
|--|-----------|-----------|-----------|
| Transfer to Other Funds | 6,949,719 | 1,478,174 | 2,442,859 |
| General Debt Fund Appropriation Totals | 6,949,719 | 1,478,174 | 2,442,859 |

Revenue Sources:

| | | | |
|----------------------------------|---|-----------|-----------|
| Revenue From Local Sources | | | |
| Specific Fund Reserves | - | 1,478,174 | 2,442,859 |
| Transfer In | - | - | - |
| General Debt Fund Revenue Totals | - | 1,478,174 | 2,442,859 |

FD201 Green Run Collegiate Charter School Operating Fund

Appropriation Units:

| | | | |
|---|-----------|-----------|-----------|
| Public Education | 4,129,108 | 4,363,929 | 4,873,251 |
| Green Run Collegiate Charter School Operating Fund Appropriation Totals | 4,129,108 | 4,363,929 | 4,873,251 |

Revenue Sources:

| | | | |
|---|-----------|-----------|-----------|
| Transfer In | 4,144,443 | 4,363,929 | 4,873,251 |
| Green Run Collegiate Charter School Operating Fund Revenue Totals | 4,144,443 | 4,363,929 | 4,873,251 |

FD203 School Instructional Technology Special Revenue Fund

Appropriation Units:

| | | | |
|---|--------|---------|-----------|
| Public Education | 48,362 | 560,840 | 1,000,000 |
| School Instructional Technology Special Revenue Fund Appropriation Totals | 48,362 | 560,840 | 1,000,000 |

Revenue Sources:

| | | | |
|---|---------|---------|-----------|
| Revenue From Local Sources | | | |
| From the Use of Money and Property | 264,081 | - | - |
| Specific Fund Reserves | - | 560,840 | 1,000,000 |
| School Instructional Technology Special Revenue Fund Totals | 264,081 | 560,840 | 1,000,000 |

FD204 School Athletics Special Revenue Fund

Appropriation Units:

| | | | |
|--|-----------|-----------|-----------|
| Public Education | 5,220,955 | 5,771,170 | 6,367,588 |
| School Athletics Special Revenue Fund Appropriation Totals | 5,220,955 | 5,771,170 | 6,367,588 |

Revenue Sources:

| | | | |
|--|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Charges for Services | - | 65,000 | 65,000 |
| Miscellaneous Revenue | 650,747 | 489,000 | 489,000 |
| From the Use of Money and Property | 28,446 | 5,000 | 5,000 |
| Transfer In | 4,709,590 | 5,212,170 | 5,808,588 |
| School Athletics Special Revenue Fund Totals | <u>5,388,782</u> | <u>5,771,170</u> | <u>6,367,588</u> |

FD210 School Equipment Replacement Special Revenue Fund

Appropriation Units:

| | | | |
|--|---------------|----------------|----------------|
| Public Education | 95,142 | 327,651 | 400,000 |
| School Equipment Replacement Special Revenue Fund Appropriation Totals | <u>95,142</u> | <u>327,651</u> | <u>400,000</u> |

Revenue Sources:

| | | | |
|--|--------------|----------------|----------------|
| Revenue From Local Sources | | | |
| From the Use of Money and Property | 8,438 | - | - |
| Specific Fund Reserves | - | 327,651 | 400,000 |
| School Equipment Replacement Special Revenue Fund Totals | <u>8,438</u> | <u>327,651</u> | <u>400,000</u> |

FD211 School Vending Operations Special Revenue Fund

Appropriation Units:

| | | | |
|---|---------------|----------------|----------------|
| Public Education | 64,198 | 130,000 | 150,000 |
| School Vending Operations Special Revenue Fund Appropriation Totals | <u>64,198</u> | <u>130,000</u> | <u>150,000</u> |

Revenue Sources:

| | | | |
|---|----------------|----------------|----------------|
| Revenue From Local Sources | | | |
| Charges for Services | 155,672 | 124,000 | 144,000 |
| From the Use of Money and Property | 1,545 | - | - |
| Specific Fund Reserves | - | 6,000 | 6,000 |
| School Vending Operations Special Revenue Fund Totals | <u>157,218</u> | <u>130,000</u> | <u>150,000</u> |

FD212 School Communication Tower Technology Special Revenue Fund

Appropriation Units:

| | | | |
|---|----------|----------------|------------------|
| Public Education | - | 800,000 | 1,000,000 |
| School Communication Tower Technology Special Revenue Fund Appropriation Totals | <u>-</u> | <u>800,000</u> | <u>1,000,000</u> |

Revenue Sources:

| | | | |
|---|----------------|----------------|------------------|
| Revenue From Local Sources | | | |
| From the Use of Money and Property | 647,852 | 516,000 | 628,000 |
| Specific Fund Reserves | - | 284,000 | 372,000 |
| School Communication Tower Technology Special Revenue Fund Totals | <u>647,852</u> | <u>800,000</u> | <u>1,000,000</u> |

FD213 School Cafeterias Special Revenue Fund

Appropriation Units:

| | | | |
|---|-------------------|-------------------|-------------------|
| Public Education | 35,866,487 | 47,700,219 | 48,664,697 |
| School Cafeterias Special Revenue Fund Appropriation Totals | <u>35,866,487</u> | <u>47,700,219</u> | <u>48,664,697</u> |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 8,569,073 | 13,050,890 | 13,850,890 |
| Miscellaneous Revenue | 794,588 | 650,000 | 0 |
| From the Use of Money and Property | 253,620 | 75,000 | 0 |
| Revenue from the Commonwealth | 1,002,667 | 605,000 | 655,000 |
| Revenue from the Federal Government | 26,791,956 | 26,417,376 | 29,468,034 |
| Specific Fund Reserves | - | 6,901,953 | 4,690,773 |
| School Cafeterias Special Revenue Fund Totals | <u>37,411,904</u> | <u>47,700,219</u> | <u>48,664,697</u> |

FD214 School Grants Special Revenue Fund

Appropriation Units:

| | | | |
|---|--------------------|--------------------|--------------------|
| Public Education | 104,882,667 | 142,411,540 | 135,646,902 |
| School Grants Special Revenue Fund Appropriation Totals | <u>104,882,667</u> | <u>142,411,540</u> | <u>135,646,902</u> |

Revenue Sources:

| | | | |
|---|--------------------|--------------------|--------------------|
| Revenue From Local Sources | | | |
| Miscellaneous Revenue | 290,158 | 2,817,629 | 14,996,630 |
| Revenue from the Commonwealth | 12,991,741 | 29,694,877 | 40,460,106 |
| Revenue from the Federal Government | 87,365,262 | 104,809,621 | 74,353,180 |
| Transfer In | 6,858,194 | 5,089,413 | 5,836,986 |
| School Grants Special Revenue Fund Totals | <u>107,505,355</u> | <u>142,411,540</u> | <u>135,646,902</u> |

FD215 School Textbooks Special Revenue Fund

Appropriation Units:

| | | | |
|--|------------------|------------------|------------------|
| Public Education | 5,681,809 | 6,600,738 | 8,348,681 |
| School Textbooks Special Revenue Fund Appropriation Totals | <u>5,681,809</u> | <u>6,600,738</u> | <u>8,348,681</u> |

Revenue Sources:

| | | | |
|--|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Miscellaneous Revenue | 6,337 | 27,000 | 60,225 |
| From the Use of Money and Property | 60,311 | 29,483 | 0 |
| Revenue from the Commonwealth | 4,986,359 | 4,972,218 | 5,881,957 |
| Specific Fund Reserves | - | 1,572,037 | 2,406,499 |
| School Textbooks Special Revenue Fund Totals | <u>5,053,008</u> | <u>6,600,738</u> | <u>8,348,681</u> |

FD220 School Reserve Special Revenue Fund

Appropriation Units:

| | | | |
|--|----------------|----------------|----------|
| Transfer to Other Funds | 667,182 | 333,591 | - |
| School Reserve Special Revenue Fund Appropriation Totals | <u>667,182</u> | <u>333,591</u> | <u>-</u> |

Revenue Sources:

| | | | |
|--|-------------------|----------------|----------|
| Specific Fund Reserves | - | 333,591 | - |
| Transfer In | 11,000,000 | - | - |
| School Reserve Special Revenue Fund Totals | <u>11,000,000</u> | <u>333,591</u> | <u>-</u> |

FD221 Agriculture Reserve Program Special Revenue Fund

Appropriation Units:

| | | | |
|---|-------------------|------------------|------------------|
| Agriculture | 195,550 | 695,162 | 691,501 |
| Debt Service | 10,003,171 | 6,469,524 | 7,189,364 |
| Reserve for Contingencies | - | - | 188,108 |
| Transfer to Other Funds | 990,000 | 990,000 | 1,490,000 |
| Agriculture Reserve Program Special Revenue Fund Appropriation Totals | <u>11,188,721</u> | <u>8,154,686</u> | <u>9,558,973</u> |

Revenue Sources:

| | | | |
|---|-------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Real Estate | 5,470,257 | 6,645,558 | 7,085,160 |
| From the Use of Money and Property | 225,044 | 30,954 | 30,954 |
| Transfer In | 6,949,719 | 1,478,174 | 2,442,859 |
| Agriculture Reserve Program Special Revenue Fund Totals | <u>12,645,021</u> | <u>8,154,686</u> | <u>9,558,973</u> |

FD222 Law Library Special Revenue Fund

Appropriation Units:

| | | | |
|---|----------------|----------------|----------------|
| Library | 221,095 | 235,598 | 233,300 |
| Transfer to Other Funds | 40,000 | - | - |
| Law Library Special Revenue Fund Appropriation Totals | <u>261,095</u> | <u>235,598</u> | <u>233,300</u> |

Revenue Sources:

| | | | |
|---|----------------|----------------|----------------|
| Revenue From Local Sources | | | |
| Charges for Services | 219,786 | 169,305 | 169,305 |
| From the Use of Money and Property | - | 6,293 | 6,293 |
| Transfer In | 20,000 | 60,000 | 57,702 |
| Law Library Special Revenue Fund Totals | <u>239,786</u> | <u>235,598</u> | <u>233,300</u> |

FD223 Open Space and Parks Special Revenue Fund

Appropriation Units:

| | | | |
|--|------------------|------------------|------------------|
| Debt Service | 1,984,136 | 1,820,662 | 1,215,517 |
| Parks And Recreation | 335,462 | 534,464 | 578,613 |
| Reserve for Contingencies | - | 2,509,094 | 2,987,324 |
| Transfer to Other Funds | 2,500,000 | 2,500,000 | 3,000,000 |
| Open Space and Parks Special Revenue Fund Appropriation Totals | <u>4,819,598</u> | <u>7,364,220</u> | <u>7,781,454</u> |

Revenue Sources:

| | | | |
|--|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Restaurant Meal Tax | 8,125,475 | 7,364,220 | 7,781,454 |
| Open Space and Parks Special Revenue Fund Totals | <u>8,125,475</u> | <u>7,364,220</u> | <u>7,781,454</u> |

FD224 Parks And Recreation Special Revenue Fund

Appropriation Units:

| | | | |
|---|-------------------|-------------------|-------------------|
| Debt Service | 2,953,649 | 3,716,702 | 3,605,976 |
| Parks And Recreation | 35,250,569 | 22,809,503 | 24,106,774 |
| Public Works | 3,511,149 | 4,086,011 | 4,097,986 |
| Reserve for Contingencies | - | 186,914 | 1,131,854 |
| Transfer to Other Funds | 561,500 | 1,574,550 | 1,574,500 |
| Parks And Recreation Special Revenue Fund Appropriation Totals | 43,276,866 | 32,373,680 | 34,517,090 |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 12,361,843 | 6,384,915 | 6,882,151 |
| Permits, Fees, and Regulatory Licenses | 72,828 | 375 | - |
| Miscellaneous Revenue | 3,399 | - | - |
| Real Estate | 21,127,350 | 25,666,620 | 27,293,610 |
| From the Use of Money and Property | 2,167,093 | 321,770 | 341,329 |
| Revenue from the Commonwealth | 17,462 | - | - |
| Transfer In | 7,830,025 | - | - |
| Parks And Recreation Special Revenue Fund Totals | 43,579,999 | 32,373,680 | 34,517,090 |

FD230 Commonwealth's Attorney Forfeited Assets Special Revenue Fund

Appropriation Units:

| | | | |
|---|---------------|----------------|----------------|
| Commonwealth's Attorney | 29,025 | 100,000 | 100,000 |
| Transfer to Other Funds | 10,812 | - | - |
| Commonwealth's Attorney Forfeited Assets Special Revenue Fund Appropriation Totals | 39,837 | 100,000 | 100,000 |

Revenue Sources:

| | | | |
|---|---------------|----------------|----------------|
| From the Use of Money and Property | 7,718 | - | - |
| Revenue from the Commonwealth | 58,519 | - | - |
| Specific Fund Reserves | - | 100,000 | 100,000 |
| Commonwealth's Attorney Forfeited Assets Special Revenue Fund Totals | 66,237 | 100,000 | 100,000 |

FD231 Police Forfeited Assets Special Revenue Fund

Appropriation Units:

| | | | |
|---|----------------|----------|----------------|
| Police | 470,299 | - | 100,000 |
| Police Forfeited Asset Fund Appropriation Totals | 470,299 | - | 100,000 |

Revenue Sources:

| | | | |
|---|----------------|----------|----------------|
| From the Use of Money and Property | - | - | - |
| Revenue from the Commonwealth | 235,503 | - | 100,000 |
| Specific Fund Reserves | - | - | - |
| Police Forfeited Asset Fund Totals | 235,503 | - | 100,000 |

FD233 Sheriff's Office Special Revenue Fund

Appropriation Units:

| | | | |
|--|-------------------|-------------------|-------------------|
| Sheriff and Corrections | 62,089,023 | 64,605,681 | 69,284,920 |
| Transfer to Other Funds | 13,334 | 11,600 | 11,600 |
| Sheriff's Office Special Revenue Fund Appropriation Totals | <u>62,102,357</u> | <u>64,617,281</u> | <u>69,296,520</u> |

Revenue Sources:

| | | | |
|--|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 4,288,897 | 4,976,608 | 4,976,608 |
| Permits, Fees, and Regulatory Licenses | 2,417 | 4,000 | 4,000 |
| Miscellaneous Revenue | 6,166 | 3,000 | 3,000 |
| From the Use of Money and Property | 7,740 | 14,000 | 14,000 |
| Revenue from the Commonwealth | 21,343,095 | 21,706,135 | 23,239,133 |
| Revenue from the Federal Government | 256,361 | 150,000 | 150,000 |
| Transfer In | 32,626,402 | 37,763,538 | 40,909,779 |
| Sheriff's Office Special Revenue Fund Totals | <u>58,531,077</u> | <u>64,617,281</u> | <u>69,296,520</u> |

FD240 Tourism Advertising Program Special Revenue Fund

Appropriation Units:

| | | | |
|---|-------------------|-------------------|-------------------|
| Convention And Visitors Bureau | 13,083,839 | 16,054,750 | 17,593,814 |
| Reserve for Contingencies | - | - | 47,206 |
| Transfer to Other Funds | 56,838 | 57,083 | 557,083 |
| Tourism Advertising Program Special Revenue Fund Appropriation Totals | <u>13,140,677</u> | <u>16,111,833</u> | <u>18,198,103</u> |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 5,600 | 4,000 | 4,000 |
| Miscellaneous Revenue | 1,215 | - | - |
| Hotel Room Tax | 8,209,650 | 7,629,721 | 8,384,307 |
| From the Use of Money and Property | 157,737 | 49,100 | 49,100 |
| Restaurant Meal Tax | 8,334,905 | 8,368,432 | 8,842,561 |
| Specific Fund Reserves | - | 60,580 | 918,135 |
| Tourism Advertising Program Special Revenue Fund Totals | <u>16,709,108</u> | <u>16,111,833</u> | <u>18,198,103</u> |

FD241 Tourism Investment Program Special Revenue Fund

Appropriation Units:

| | | | |
|--|-------------------|-------------------|-------------------|
| Convention And Visitors Bureau | 11,121,347 | 11,821,890 | 12,686,667 |
| Cultural Affairs and Historic Houses | 595,500 | 520,500 | 520,500 |
| Debt Service | 18,970,040 | 37,113,682 | 27,860,574 |
| Emergency Medical Services | - | - | 1,073,772 |
| Parks And Recreation | 940,081 | 1,029,680 | 1,215,004 |
| Public Works | 3,458,331 | 4,764,147 | 4,859,543 |
| Regional Participation | 1,358,888 | 1,205,648 | 1,415,384 |
| Reserve for Contingencies | 127,065 | 750,000 | 4,033,511 |
| Resort Management Office | 66,605 | - | - |
| Transfer to Other Funds | 6,798,230 | 3,968,170 | 2,465,170 |
| Tourism Investment Program Special Revenue Fund Appropriation Totals | <u>43,436,087</u> | <u>61,173,717</u> | <u>56,130,125</u> |

Revenue Sources:

| | | | |
|--|------------|------------|------------|
| Revenue From Local Sources | | | |
| Charges for Services | 2,620 | - | - |
| Permits, Fees, and Regulatory Licenses | 81,020 | 1,778 | 1,778 |
| Miscellaneous Revenue | 180,295 | - | - |
| Hotel Room Tax | 26,264,187 | 26,091,535 | 27,137,471 |
| Cigarette Tax | 565,328 | 518,619 | 499,524 |
| Amusement Tax | 9,213,616 | 7,780,275 | 8,067,622 |
| From the Use of Money and Property | 1,496,970 | 891,250 | 891,250 |
| Restaurant Meal Tax | 16,879,467 | 17,741,076 | 18,746,230 |
| Specific Fund Reserves | - | 8,149,184 | 786,250 |
| Tourism Investment Program Special Revenue Fund Totals | 54,683,504 | 61,173,717 | 56,130,125 |

FD250 Central Business District South Tax Increment Financing Fund**Appropriation Units:**

| | | | |
|---|-----------|------------|------------|
| Debt Service | 6,993,421 | 4,932,676 | 4,122,207 |
| Reserve for Contingencies | - | 5,423,659 | 6,708,709 |
| Transfer to Other Funds | 150,000 | 150,000 | 150,000 |
| Central Business District South Tax Increment Financing Fund Appropriation Totals | 7,143,421 | 10,506,335 | 10,980,916 |

Revenue Sources:

| | | | |
|---|-----------|------------|------------|
| Revenue From Local Sources | | | |
| Hotel Room Tax | 500,000 | 500,000 | 500,000 |
| Real Estate | 8,626,852 | 10,004,335 | 10,478,916 |
| From the Use of Money and Property | 49,581 | 2,000 | 2,000 |
| Central Business District South Tax Increment Financing Fund Totals | 9,176,433 | 10,506,335 | 10,980,916 |

FD251 Town Center Special Service District Fund**Appropriation Units:**

| | | | |
|--|-----------|-----------|-----------|
| Economic Development | - | 3,082,730 | 3,087,050 |
| Parks And Recreation | 93,041 | 132,990 | 133,550 |
| Special Financing Department | 2,272,874 | - | - |
| Transfer to Other Funds | 634,226 | 645,976 | 645,976 |
| Town Center Special Service District Fund Appropriation Totals | 3,000,141 | 3,861,696 | 3,866,576 |

Revenue Sources:

| | | | |
|--|-----------|-----------|-----------|
| Revenue From Local Sources | | | |
| Charges for Services | 360,790 | 194,300 | 194,300 |
| Fines and Forfeitures | 52,371 | - | - |
| Real Estate | 2,337,363 | 2,370,626 | 2,605,529 |
| From the Use of Money and Property | 111,751 | 365,500 | 365,500 |
| Specific Fund Reserves | - | 781,270 | 551,247 |
| Transfer In | 150,000 | 150,000 | 150,000 |
| Town Center Special Service District Fund Totals | 3,012,275 | 3,861,696 | 3,866,576 |

FD252 Sandbridge Special Service District Fund

Appropriation Units:

| | | | |
|---|------------------|------------------|------------------|
| Public Works | 320,108 | 720,259 | 901,369 |
| Reserve for Contingencies | - | 285,732 | 286,711 |
| Transfer to Other Funds | 4,676,341 | 4,676,341 | 4,676,341 |
| Sandbridge Special Service District Fund Appropriation Totals | <u>4,996,449</u> | <u>5,682,332</u> | <u>5,864,421</u> |

Revenue Sources:

| | | | |
|---|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Hotel Room Tax | 5,666,370 | 5,506,543 | 5,666,369 |
| Real Estate | 306,974 | 172,772 | 195,035 |
| From the Use of Money and Property | 57,774 | 3,017 | 3,017 |
| Sandbridge Special Service District Fund Totals | <u>6,031,118</u> | <u>5,682,332</u> | <u>5,864,421</u> |

FD260 Federal Section 8 Program Special Revenue Fund

Appropriation Units:

| | | | |
|---|-------------------|-------------------|-------------------|
| Housing And Neighborhood Preservation | 24,903,697 | 27,198,094 | 28,460,354 |
| Reserve for Contingencies | - | - | 67,211 |
| Federal Section 8 Program Special Revenue Fund Appropriation Totals | <u>24,903,697</u> | <u>27,198,094</u> | <u>28,527,565</u> |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 1,688,704 | 2,606,322 | 2,455,000 |
| Miscellaneous Revenue | 121,200 | - | - |
| From the Use of Money and Property | 16,387 | - | - |
| Revenue from the Federal Government | 23,062,715 | 24,334,912 | 25,790,845 |
| Specific Fund Reserves | - | 180,860 | 205,720 |
| Transfer In | 76,000 | 76,000 | 76,000 |
| Federal Section 8 Program Special Revenue Fund Totals | <u>24,965,005</u> | <u>27,198,094</u> | <u>28,527,565</u> |

FD261 State Rental Assistance Program Special Revenue Fund

Appropriation Units:

| | | | |
|---|----------------|------------------|------------------|
| Housing And Neighborhood Preservation | 723,362 | 1,244,748 | 1,456,382 |
| Reserve for Contingencies | - | - | 1,308 |
| State Rental Assistance Program Special Revenue Fund Appropriation Totals | <u>723,362</u> | <u>1,244,748</u> | <u>1,457,690</u> |

Revenue Sources:

| | | | |
|---|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Miscellaneous Revenue | 3,514 | - | - |
| From the Use of Money and Property | 50,657 | - | - |
| Revenue from the Commonwealth | 1,192,938 | 1,244,748 | 1,457,690 |
| State Rental Assistance Program Special Revenue Fund Totals | <u>1,247,109</u> | <u>1,244,748</u> | <u>1,457,690</u> |

FD270 Consolidated Grants Special Revenue Fund

Appropriation Units:

| | | | |
|---|-------------------|-------------------|-------------------|
| Commonwealth's Attorney | 679,262 | 533,865 | 530,130 |
| Communications Office | 786 | - | - |
| Cultural Affairs and Historic Houses | 333,333 | - | - |
| Economic Development | 241,805 | - | - |
| Emergency Communications and Citizen Services | 2,994 | 4,000 | 8,000 |
| Emergency Management | 710,151 | - | 102,914 |
| Emergency Medical Services | 518,454 | 375,000 | 395,000 |
| Fire | 4,408,312 | 2,209,718 | 2,583,414 |
| Health Department | 118,410 | - | - |
| Housing And Neighborhood Preservation | 2,022,704 | 3,285,055 | 3,279,975 |
| Human Services | 2,910,221 | 5,004,368 | 3,693,464 |
| Juvenile and Domestic Relations District Court | 10,893 | - | - |
| Parks And Recreation | 348,657 | - | - |
| Police | 992,014 | - | - |
| Public Works | 19,850 | 20,000 | 20,000 |
| Reserve for Contingencies | - | - | 4,299 |
| Sheriff and Corrections | 194,774 | - | - |
| Transfer to Other Funds | 334,680 | 310,000 | 300,000 |
| Consolidated Grants Special Revenue Fund Appropriation Totals | <u>13,847,300</u> | <u>11,742,006</u> | <u>10,917,196</u> |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 356,788 | 1,834,533 | 503,085 |
| Miscellaneous Revenue | -1,344,547 | - | - |
| Revenue from the Commonwealth | 5,805,044 | 4,837,196 | 5,048,963 |
| Revenue from the Federal Government | 28,156,320 | 4,328,002 | 4,608,090 |
| Transfer In | 808,652 | 742,275 | 757,058 |
| Consolidated Grants Special Revenue Fund Totals | <u>33,782,258</u> | <u>11,742,006</u> | <u>10,917,196</u> |

FD271 Emergency FEMA Grant Fund

Appropriation Units:

| | | | |
|--|------------------|----------------|----------------|
| Fire | 2,475,730 | 500,000 | 500,000 |
| Emergency FEMA Grant Special Revenue Fund Appropriation Totals | <u>2,475,730</u> | <u>500,000</u> | <u>500,000</u> |

Revenue Sources:

| | | | |
|--|------------------|----------------|----------------|
| Revenue From Local Sources | | | |
| From the Use of Money and Property | 29,731 | - | - |
| Revenue from the Federal Government | 4,181,706 | 500,000 | 500,000 |
| Federal Housing Assistance Grant Special Revenue Fund Totals | <u>4,211,437</u> | <u>500,000</u> | <u>500,000</u> |

FD272 Federal Housing Assistance Grant Special Revenue Fund

Appropriation Units:

| | | | |
|--|----------------|------------------|------------------|
| Housing And Neighborhood Preservation | 378,376 | 1,234,149 | 1,246,745 |
| Reserve for Contingencies | - | - | 2,405 |
| Federal Housing Assistance Grant Special Revenue Fund Appropriation Totals | <u>378,376</u> | <u>1,234,149</u> | <u>1,249,150</u> |

Revenue Sources:

| | | | |
|--|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| From the Use of Money and Property | 16,641 | 60,000 | 75,000 |
| Revenue from the Federal Government | 1,320,051 | 1,174,149 | 1,174,150 |
| Federal Housing Assistance Grant Special Revenue Fund Totals | <u>1,336,692</u> | <u>1,234,149</u> | <u>1,249,150</u> |

FD273 Community Development Grant Special Revenue Fund

Appropriation Units:

| | | | |
|---|------------------|------------------|------------------|
| Housing And Neighborhood Preservation | 3,306,541 | 2,533,481 | 3,664,778 |
| Reserve for Contingencies | - | - | 55,304 |
| Transfer to Other Funds | 128,858 | 95,163 | - |
| Community Development Grant Special Revenue Fund Appropriation Totals | <u>3,435,399</u> | <u>2,628,644</u> | <u>3,720,082</u> |

Revenue Sources:

| | | | |
|---|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| From the Use of Money and Property | 854 | 75,000 | 75,000 |
| Revenue from the Federal Government | 2,827,995 | 2,014,460 | 3,209,569 |
| Transfer In | 539,184 | 539,184 | 435,513 |
| Community Development Grant Special Revenue Fund Totals | <u>3,368,033</u> | <u>2,628,644</u> | <u>3,720,082</u> |

FD310 Old Donation Creek Dredging Special Service District Fund

Appropriation Units:

| | | | |
|--|----------------|---------------|----------------|
| Reserve for Contingencies | - | 83,449 | 83,449 |
| Transfer to Other Funds | 364,504 | - | 107,594 |
| Old Donation Creek Dredging Special Service District Fund Appropriation Totals | <u>364,504</u> | <u>83,449</u> | <u>191,043</u> |

Revenue Sources:

| | | | |
|--|---------------|---------------|----------------|
| Revenue From Local Sources | | | |
| Real Estate | 76,872 | 83,449 | 87,410 |
| Specific Fund Reserves | - | - | 103,633 |
| Old Donation Creek Dredging Special Service District Fund Totals | <u>76,872</u> | <u>83,449</u> | <u>191,043</u> |

FD311 Bayville Creek Dredging Special Service District Fund

Appropriation Units:

| | | | |
|--|----------------|---------------|---------------|
| Reserve for Contingencies | - | 79,000 | 20,861 |
| Transfer to Other Funds | 286,000 | - | 66,549 |
| Bayville Creek Dredging Special Service District Fund Appropriation Totals | <u>286,000</u> | <u>79,000</u> | <u>87,410</u> |

Revenue Sources:

| | | | |
|--|---------------|---------------|---------------|
| Revenue From Local Sources | | | |
| Real Estate | 71,775 | 79,000 | 87,410 |
| Bayville Creek Dredging Special Service District Fund Totals | <u>71,775</u> | <u>79,000</u> | <u>87,410</u> |

FD312 Shadowlawn Dredging Special Service District Fund

Appropriation Units:

| | | | |
|--|---------------|----------------|---------------|
| Reserve for Contingencies | - | - | 45,055 |
| Transfer to Other Funds | 42,000 | 209,000 | - |
| Shadowlawn Dredging Special Service District Fund Appropriation Totals | <u>42,000</u> | <u>209,000</u> | <u>45,055</u> |

Revenue Sources:

| | | | |
|--|---------------|----------------|---------------|
| Revenue From Local Sources | | | |
| Real Estate | 33,810 | 37,119 | 45,055 |
| Specific Fund Reserves | - | 171,881 | - |
| Shadowlawn Dredging Special Service District Fund Totals | <u>33,810</u> | <u>209,000</u> | <u>45,055</u> |

FD313 Chesapeake Colony Dredging Special Service District Fund

Appropriation Units:

| | | | |
|---|----------|----------------|----------------|
| Reserve for Contingencies | - | 231,025 | 257,189 |
| Chesapeake Colony Dredging Special Service District Fund Appropriation Totals | <u>-</u> | <u>231,025</u> | <u>257,189</u> |

Revenue Sources:

| | | | |
|---|----------------|----------------|----------------|
| Revenue From Local Sources | | | |
| Real Estate | 221,944 | 231,025 | 257,189 |
| Chesapeake Colony Dredging Special Service District Fund Totals | <u>221,944</u> | <u>231,025</u> | <u>257,189</u> |

FD314 Harbour Point Dredging Special Service District Fund

Appropriation Units:

| | | | |
|---|---------------|----------------|---------------|
| Reserve for Contingencies | - | - | 31,424 |
| Transfer to Other Funds | 22,000 | 108,000 | 55,939 |
| Harbour Point Dredging Special Service District Fund Appropriation Totals | <u>22,000</u> | <u>108,000</u> | <u>87,363</u> |

Revenue Sources:

| | | | |
|---|---------------|----------------|---------------|
| Revenue From Local Sources | | | |
| Real Estate | 30,131 | 31,424 | 32,233 |
| Specific Fund Reserves | - | 76,576 | 55,130 |
| Harbour Point Dredging Special Service District Fund Totals | <u>30,131</u> | <u>108,000</u> | <u>87,363</u> |

FD315 Gills Cove Dredging Special Service District Fund

Appropriation Units:

| | | | |
|--|----------|---------------|---------------|
| Reserve for Contingencies | - | 15,919 | 45,937 |
| Gills Cove Dredging Special Service District Fund Appropriation Totals | <u>-</u> | <u>15,919</u> | <u>45,937</u> |

Revenue Sources:

| | | | |
|--|---------------|---------------|---------------|
| Revenue From Local Sources | | | |
| Real Estate | 15,342 | 15,919 | 45,937 |
| Gills Cove Dredging Special Service District Fund Totals | <u>15,342</u> | <u>15,919</u> | <u>45,937</u> |

FD316 Hurds Cove Dredging Special Service District Fund

Appropriation Units:

| | | | |
|--|---|---------|---------|
| Reserve for Contingencies | - | 246,905 | 257,341 |
| Hurds Cove Dredging Special Service District Fund Appropriation Totals | - | 246,905 | 257,341 |

Revenue Sources:

| | | | |
|--|---------|---------|---------|
| Revenue From Local Sources | | | |
| Real Estate | 223,192 | 246,905 | 257,341 |
| Hurds Cove Dredging Special Service District Fund Totals | 223,192 | 246,905 | 257,341 |

FD317 Schilling Point Dredging Special Service District Fund

Appropriation Units:

| | | | |
|---|---|--------|--------|
| Reserve for Contingencies | - | 43,916 | 66,766 |
| Schilling Point Dredging Special Service District Fund Appropriation Totals | - | 43,916 | 66,766 |

Revenue Sources:

| | | | |
|---|--------|--------|--------|
| Revenue From Local Sources | | | |
| Real Estate | 38,248 | 43,916 | 66,766 |
| Schilling Point Dredging Special Service District Fund Totals | 38,248 | 43,916 | 66,766 |

FD400 General Government Capital Projects Fund

Appropriation Units:

| | | | |
|---|------------|------------|------------|
| Building and Assets Projects | 4,439,509 | 8,062,010 | 11,639,558 |
| Coastal Projects | 10,677,825 | 10,956,922 | 8,540,650 |
| Economic and Tourism Development Projects | 10,009,175 | 5,812,308 | 3,401,202 |
| Information Technology Projects | 27,850,153 | 12,227,463 | 807,156 |
| Parks and Recreation Projects | 6,906,367 | 9,372,872 | 8,397,028 |
| Roadways Projects | 2,995,321 | 16,327,001 | 13,166,449 |
| General Government Capital Projects Fund Appropriation Totals | 62,878,350 | 62,758,576 | 45,952,043 |

Revenue Sources:

| | | | |
|---|------------|------------|------------|
| Transfer from Other Funds | 62,878,350 | 62,758,576 | 45,952,043 |
| General Government Capital Projects Fund Totals | 62,878,350 | 62,758,576 | 45,952,043 |

FD410 Water and Sewer Capital Projects Fund

Appropriation Units:

| | | | |
|--|-----------|-----------|-----------|
| Sewer Utility Projects | 3,579,271 | 5,074,535 | 5,720,883 |
| Water Utility Projects | 3,444,622 | 3,525,465 | 2,279,117 |
| Water and Sewer Capital Projects Fund Appropriation Totals | 7,023,893 | 8,600,000 | 8,000,000 |

Revenue Sources:

| | | | |
|--|-----------|-----------|-----------|
| Revenue From Local Sources | | | |
| Transfer from Other Funds | 7,023,893 | 8,600,000 | 8,000,000 |
| Water and Sewer Capital Projects Fund Totals | 7,023,893 | 8,600,000 | 8,000,000 |

FD420 Stormwater Capital Projects Fund

Appropriation Units:

| | | | |
|---|-------------------|-------------------|-------------------|
| Stormwater Projects | 21,062,246 | 18,984,820 | 18,521,348 |
| Stormwater Capital Projects Fund Appropriation Totals | <u>21,062,246</u> | <u>18,984,820</u> | <u>18,521,348</u> |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Transfer from Other Funds | 21,062,246 | 18,984,820 | 18,521,348 |
| Stormwater Capital Projects Fund Totals | <u>21,062,246</u> | <u>18,984,820</u> | <u>18,521,348</u> |

FD430 Flood Protection Capital Projects Fund

Appropriation Units:

| | | | |
|---|----------------|------------------|------------------|
| Flood Protection Projects | 495,000 | 1,000,000 | 1,000,000 |
| Flood Protection Capital Projects Fund Appropriation Totals | <u>495,000</u> | <u>1,000,000</u> | <u>1,000,000</u> |

Revenue Sources:

| | | | |
|---|----------------|------------------|------------------|
| Transfer from Other Funds | 495,000 | 1,000,000 | 1,000,000 |
| Flood Protection Capital Projects Fund Totals | <u>495,000</u> | <u>1,000,000</u> | <u>1,000,000</u> |

FD480 Schools Capital Projects Fund

Appropriation Units:

| | | | |
|--|------------------|------------------|------------------|
| Schools Projects | 1,000,000 | 2,000,000 | 3,000,000 |
| Schools Capital Projects Fund Appropriation Totals | <u>1,000,000</u> | <u>2,000,000</u> | <u>3,000,000</u> |

Revenue Sources:

| | | | |
|--------------------------------------|------------------|------------------|------------------|
| Transfer from Other Funds | 1,000,000 | 2,000,000 | 3,000,000 |
| Schools Capital Projects Fund Totals | <u>1,000,000</u> | <u>2,000,000</u> | <u>3,000,000</u> |

FD510 Water And Sewer Enterprise Fund

Appropriation Units:

| | | | |
|--|--------------------|--------------------|--------------------|
| Debt Service | 18,014,890 | 18,934,769 | 18,990,644 |
| Public Utilities | 99,520,601 | 101,555,307 | 109,001,010 |
| Reserve for Contingencies | - | 2,146,097 | 4,194,362 |
| Transfer to Other Funds | 16,939,126 | 18,664,080 | 17,357,647 |
| Water And Sewer Enterprise Fund Appropriation Totals | <u>134,474,617</u> | <u>141,300,253</u> | <u>149,543,663</u> |

Revenue Sources:

Revenue From Local Sources

| | | | |
|--|-------------|-------------|-------------|
| Charges for Services | 128,709,952 | 135,311,910 | 142,159,775 |
| Permits, Fees, and Regulatory Licenses | 3,179 | 6,205 | 5,430 |
| Miscellaneous Revenue | 303,572 | 130,917 | 201,471 |
| From the Use of Money and Property | 3,220,853 | 442,222 | 2,051,445 |
| Other Financing Sources | 3,730,679 | 3,185,673 | 2,759,908 |
| Transfer In | 2,126,293 | 2,223,326 | 2,365,634 |

| | | | |
|--|--------------------|--------------------|--------------------|
| Water And Sewer Enterprise Fund Totals | <u>138,094,528</u> | <u>141,300,253</u> | <u>149,543,663</u> |
|--|--------------------|--------------------|--------------------|

FD520 Storm Water Utility Enterprise Fund

Appropriation Units:

| | | | |
|--|-------------------|-------------------|-------------------|
| Debt Service | 10,234,811 | 9,827,631 | 12,127,631 |
| Public Works | 16,000,525 | 16,377,614 | 16,905,885 |
| Reserve for Contingencies | - | - | 600,263 |
| Transfer to Other Funds | 22,455,617 | 20,317,965 | 19,642,419 |
| Storm Water Utility Enterprise Fund Appropriation Totals | <u>48,690,953</u> | <u>46,523,210</u> | <u>49,276,198</u> |

Revenue Sources:

| | | | |
|--|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 45,721,163 | 45,919,210 | 45,919,210 |
| Miscellaneous Revenue | 12,933 | 4,000 | 4,000 |
| From the Use of Money and Property | 1,357,834 | 600,000 | 600,000 |
| Specific Fund Reserves | - | - | 2,752,988 |
| Transfer In | 523,681 | - | - |
| Storm Water Utility Enterprise Fund Totals | <u>47,615,611</u> | <u>46,523,210</u> | <u>49,276,198</u> |

FD530 Waste Management Enterprise Fund

Appropriation Units:

| | | | |
|---|-------------------|-------------------|-------------------|
| Public Works | 35,888,860 | 40,194,515 | 48,314,356 |
| Reserve for Contingencies | - | - | 503,969 |
| Transfer to Other Funds | 3,006,842 | 3,059,278 | 2,623,434 |
| Waste Management Enterprise Fund Appropriation Totals | <u>38,895,702</u> | <u>43,253,793</u> | <u>51,441,759</u> |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 37,366,968 | 41,806,207 | 46,456,207 |
| Permits, Fees, and Regulatory Licenses | 121,530 | 125,000 | 125,000 |
| Miscellaneous Revenue | 743,458 | 712,286 | 800,000 |
| From the Use of Money and Property | 147,646 | 275,000 | 275,000 |
| Revenue from the Commonwealth | 69,849 | 40,000 | 40,000 |
| Specific Fund Reserves | - | 295,300 | 3,745,552 |
| Waste Management Enterprise Fund Totals | <u>38,449,452</u> | <u>43,253,793</u> | <u>51,441,759</u> |

FD540 Parking Enterprise Fund

Appropriation Units:

| | | | |
|--|------------------|------------------|------------------|
| Debt Service | 619,478 | 654,773 | - |
| Economic Development | 4,483,553 | 4,518,646 | - |
| Planning | (10,042) | - | - |
| Public Works | - | - | 6,114,232 |
| Reserve for Contingencies | - | - | 14,530 |
| Transfer to Other Funds | 804,244 | 1,046,767 | 841,540 |
| Parking Enterprise Fund Appropriation Totals | <u>5,897,233</u> | <u>6,220,186</u> | <u>6,970,302</u> |

Revenue Sources:

| | | | |
|--|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 5,301,424 | 5,054,886 | 5,625,000 |
| Permits, Fees, and Regulatory Licenses | 115,458 | 99,000 | 107,000 |
| Fines and Forfeitures | 498,720 | 541,000 | 500,000 |
| From the Use of Money and Property | 93,807 | 80,000 | 80,000 |
| Specific Fund Reserves | - | 373,300 | 586,302 |
| Transfer In | 68,500 | 72,000 | 72,000 |
| Parking Enterprise Fund Totals | <u>6,077,909</u> | <u>6,220,186</u> | <u>6,970,302</u> |

FD600 City Garage Internal Service Fund

Appropriation Units:

| | | | |
|--|-------------------|-------------------|-------------------|
| Public Works | 17,206,934 | 16,869,288 | 19,856,632 |
| Reserve for Contingencies | - | - | 331,667 |
| Transfer to Other Funds | 1,734 | - | - |
| City Garage Internal Service Fund Appropriation Totals | <u>17,208,668</u> | <u>16,869,288</u> | <u>20,188,299</u> |

Revenue Sources:

| | | | |
|--|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 15,761,004 | 16,486,902 | 19,996,564 |
| Miscellaneous Revenue | 260,339 | 150,000 | 109,000 |
| From the Use of Money and Property | 115,919 | 40,000 | 82,735 |
| Specific Fund Reserves | - | 192,386 | - |
| City Garage Internal Service Fund Totals | <u>16,137,261</u> | <u>16,869,288</u> | <u>20,188,299</u> |

FD601 Fuels Internal Service Fund

Appropriation Units:

| | | | |
|--|------------------|------------------|------------------|
| Public Works | 8,315,789 | 8,367,672 | 8,943,150 |
| Fuels Internal Service Fund Appropriation Totals | <u>8,315,789</u> | <u>8,367,672</u> | <u>8,943,150</u> |

Revenue Sources:

| | | | |
|------------------------------------|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 8,003,767 | 8,161,527 | 8,888,150 |
| From the Use of Money and Property | 32,898 | 55,809 | 55,000 |
| Specific Fund Reserves | - | 150,336 | - |
| Fuels Internal Service Fund Totals | <u>8,036,664</u> | <u>8,367,672</u> | <u>8,943,150</u> |

FD602 Risk Management Internal Service Fund

Appropriation Units:

| | | | |
|--|-------------------|-------------------|-------------------|
| Finance | 19,072,375 | 20,333,854 | 20,977,597 |
| Reserve for Contingencies | - | - | 6,142 |
| Risk Management Internal Service Fund Appropriation Totals | <u>19,072,375</u> | <u>20,333,854</u> | <u>20,983,739</u> |

Revenue Sources:

| | | | |
|--|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 18,575,253 | 18,757,799 | 18,757,799 |
| Miscellaneous Revenue | 1,277,000 | - | - |
| From the Use of Money and Property | 679,891 | 248,259 | 248,259 |
| Specific Fund Reserves | - | 1,327,796 | 1,977,681 |
| Risk Management Internal Service Fund Totals | <u>20,532,144</u> | <u>20,333,854</u> | <u>20,983,739</u> |

FD603 Landscaping Internal Service Fund

Appropriation Units:

| | | | |
|--|------------------|------------------|------------------|
| Parks And Recreation | 5,067,744 | 5,444,060 | 5,769,741 |
| Reserve for Contingencies | - | - | 154,298 |
| Landscaping Internal Service Fund Appropriation Totals | <u>5,067,744</u> | <u>5,444,060</u> | <u>5,924,039</u> |

Revenue Sources:

| | | | |
|--|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 4,929,962 | 5,444,060 | 5,924,039 |
| From the Use of Money and Property | 39,206 | - | - |
| Landscaping Internal Service Fund Totals | <u>4,969,168</u> | <u>5,444,060</u> | <u>5,924,039</u> |

FD604 Subscriptions Internal Service Fund

Appropriation Units:

| | | | |
|--|----------------|----------|----------|
| Information Technology | 112,739 | - | - |
| Subscriptions Internal Service Fund Appropriation Totals | <u>112,739</u> | <u>-</u> | <u>-</u> |

FD606 Information Technology Internal Service Fund

Appropriation Units:

| | | | |
|---|----------|----------|-------------------|
| Information Technology | - | - | 22,681,788 |
| Reserve for Contingencies | - | - | 50,232 |
| Information Technology Internal Service Fund Appropriation Totals | <u>-</u> | <u>-</u> | <u>22,732,020</u> |

Revenue Sources:

| | | | |
|---|----------|----------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | - | - | 22,732,020 |
| From the Use of Money and Property | - | - | - |
| Information Technology Internal Service Fund Totals | <u>-</u> | <u>-</u> | <u>22,732,020</u> |

FD605 Telecommunications Internal Service Fund

Appropriation Units:

| | | | |
|---|------------------|------------------|------------------|
| Information Technology | 3,044,258 | 3,217,146 | 3,265,526 |
| Reserve for Contingencies | - | - | 28,003 |
| Telecommunications Internal Service Fund Appropriation Totals | <u>3,044,258</u> | <u>3,217,146</u> | <u>3,293,529</u> |

Revenue Sources:

| | | | |
|---|------------------|------------------|------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 3,037,832 | 3,202,146 | 3,276,898 |
| From the Use of Money and Property | 39,096 | 15,000 | 15,000 |
| Specific Fund Reserves | - | - | 1,631 |
| Telecommunications Internal Service Fund Totals | <u>3,076,928</u> | <u>3,217,146</u> | <u>3,293,529</u> |

FD650 School Risk Management Internal Service Fund

Appropriation Units:

| | | | |
|---|------------------|-------------------|-------------------|
| Public Education | 7,759,304 | 15,379,958 | 15,379,958 |
| School Risk Management Internal Service Fund Appropriation Totals | <u>7,759,304</u> | <u>15,379,958</u> | <u>15,379,958</u> |

Revenue Sources:

| | | | |
|---|-------------------|-------------------|-------------------|
| Revenue From Local Sources | | | |
| Charges for Services | 8,995,919 | 8,995,919 | 8,995,919 |
| Miscellaneous Revenue | 2,688,897 | - | - |
| From the Use of Money and Property | 241,199 | - | - |
| Specific Fund Reserves | - | 6,384,039 | 6,384,039 |
| Transfer In | 2,000,000 | - | - |
| School Risk Management Internal Service Fund Totals | <u>13,926,014</u> | <u>15,379,958</u> | <u>15,379,958</u> |

FD651 School Flexible Benefits Forfeiture Internal Service Fund

Appropriation Units:

| | | | |
|--|---|---------|---------|
| Public Education | - | 206,000 | 100,000 |
| School Flexible Benefits Forfeiture Internal Service Fund Appropriation Totals | - | 206,000 | 100,000 |

Revenue Sources:

| | | | |
|--|---------|---------|---------|
| Revenue From Local Sources | | | |
| Charges for Services | 624,987 | - | - |
| From the Use of Money and Property | 17,620 | - | - |
| Specific Fund Reserves | - | 206,000 | 100,000 |
| School Flexible Benefits Forfeiture Internal Service Fund Totals | 642,607 | 206,000 | 100,000 |

FD652 School Health Insurance Internal Service Fund

Appropriation Units:

| | | | |
|--|-------------|-------------|-------------|
| Public Education | 155,124,714 | 196,510,293 | 200,819,074 |
| School Health Insurance Internal Service Fund Appropriation Totals | 155,124,714 | 196,510,293 | 200,819,074 |

Revenue Sources:

| | | | |
|--|-------------|-------------|-------------|
| Revenue From Local Sources | | | |
| Charges for Services | 154,691,212 | 176,510,293 | 180,819,074 |
| Specific Fund Reserves | - | 20,000,000 | 20,000,000 |
| School Health Insurance Internal Service Fund Totals | 154,691,212 | 196,510,293 | 200,819,074 |

FD801 City Beautification Fund

Appropriation Units:

| | | | |
|---|--------|---------|---------|
| Parks And Recreation | 47,023 | 100,000 | 100,000 |
| City Beautification Fund Appropriation Totals | 47,023 | 100,000 | 100,000 |

Revenue Sources:

| | | | |
|---------------------------------|--------|---------|---------|
| Revenue From Local Sources | | | |
| Charges for Services | 36,796 | 100,000 | 100,000 |
| City Beautification Fund Totals | 36,796 | 100,000 | 100,000 |

FD811 Mayor's Committee Trust Fund

Appropriation Units:

| | | | |
|---|---|---|-------|
| Non-Departmental | - | - | 1,248 |
| Mayor's Committee Trust Fund Appropriation Totals | - | - | 1,248 |

Revenue Sources:

| | | | |
|-------------------------------------|---|---|-------|
| Revenue From Local Sources | | | |
| Specific Fund Reserves | - | - | 1,248 |
| Mayor's Committee Trust Fund Totals | - | - | 1,248 |

FD814 Parks And Recreation Gift Fund

Appropriation Units:

| | | | |
|---|--------|--------|--------|
| Parks And Recreation | 25,791 | 55,000 | 84,000 |
| Parks And Recreation Gift Fund Appropriation Totals | 25,791 | 55,000 | 84,000 |

Revenue Sources:

| | | | |
|---------------------------------------|--------|--------|--------|
| Revenue From Local Sources | | | |
| Miscellaneous Revenue | 27,265 | 55,000 | 84,000 |
| From the Use of Money and Property | 2,761 | - | - |
| Parks And Recreation Gift Fund Totals | 30,026 | 55,000 | 84,000 |

FD817 Social Services Gift Fund

Appropriation Units:

| | | | |
|--|--------------|---------------|---------------|
| Human Services | 4,040 | 46,710 | 46,710 |
| Social Services Gift Fund Appropriation Totals | <u>4,040</u> | <u>46,710</u> | <u>46,710</u> |

Revenue Sources:

| | | | |
|----------------------------------|--------------|---------------|---------------|
| Revenue From Local Sources | | | |
| Miscellaneous Revenue | 4,805 | - | - |
| Specific Fund Reserves | - | 46,710 | 46,710 |
| Social Services Gift Fund Totals | <u>4,805</u> | <u>46,710</u> | <u>46,710</u> |

FD818 Virginia Beach Library Gift Fund

Appropriation Units:

| | | | |
|---|---------------|----------------|----------------|
| Library | 62,410 | 112,000 | 112,000 |
| Virginia Beach Library Gift Fund Appropriation Totals | <u>62,410</u> | <u>112,000</u> | <u>112,000</u> |

Revenue Sources:

| | | | |
|---|---------------|----------------|----------------|
| Revenue From Local Sources | | | |
| Miscellaneous Revenue | 56,438 | 112,000 | 112,000 |
| Transfer In | 20,000 | - | - |
| Virginia Beach Library Gift Fund Totals | <u>76,438</u> | <u>112,000</u> | <u>112,000</u> |

FD822 Tree Mitigation Fund

Appropriation Units:

| | | | |
|---|----------|----------|----------------|
| Parks and Recreation | - | - | 394,890 |
| Tree Mitigation Fund Appropriation Totals | <u>-</u> | <u>-</u> | <u>394,890</u> |

Revenue Sources:

| | | | |
|----------------------------------|----------|----------|----------------|
| Revenue From Local Sources | | | |
| Charges for Services | | | |
| Transfer In | - | - | 394,890 |
| Tree Mitigation Fund Fund Totals | <u>-</u> | <u>-</u> | <u>394,890</u> |

All Funds

Appropriation Units:

| | | | |
|----------------------------------|----------------------|----------------------|----------------------|
| Total Budget Appropriations | 3,122,869,976 | 3,509,083,641 | 3,612,705,688 |
| Less Internal Service Funds | 215,705,591 | 266,328,271 | 298,363,808 |
| Less Interfund Transfers | 644,210,117 | 679,651,471 | 680,309,310 |
| Net Budget Appropriations | <u>2,262,954,268</u> | <u>2,563,103,899</u> | <u>2,634,032,570</u> |

Revenue Sources:

| | | | |
|-----------------------------|----------------------|----------------------|----------------------|
| Revenue From Local Sources | | | |
| Total Budgeted Revenue | 3,124,158,858 | 3,509,083,641 | 3,612,705,688 |
| Less Internal Service Funds | 222,011,998 | 266,328,271 | 298,363,808 |
| Less Interfund Transfers | 644,210,117 | 679,651,471 | 680,309,310 |
| NET BUDGET REVENUES | <u>2,257,936,743</u> | <u>2,563,103,899</u> | <u>2,634,032,570</u> |

**City of Virginia Beach, Virginia
Interfund Transfer Summary**

| Receiving Fund Code and Name | Actual | Budget | Proposed |
|--|-------------|-------------|-------------|
| <u>Transfer from General Fund</u> | | | |
| FD115: School Operating Fund | 455,682,257 | 512,950,115 | 526,563,307 |
| FD220: School Reserve Special Revenue Fund | 11,000,000 | - | - |
| FD222: Law Library Special Revenue Fund | 20,000 | 60,000 | 57,702 |
| FD224: Parks And Recreation Special Revenue Fund | 7,830,025 | - | - |
| FD233: Sheriff's Office Special Revenue Fund | 32,626,402 | 37,763,538 | 40,909,779 |
| FD260: Federal Section 8 Program Special Revenue Fund | 76,000 | 76,000 | 76,000 |
| FD270: Consolidated Grants Special Revenue Fund | 808,652 | 732,275 | 757,058 |
| FD273: Community Development Grant Special Revenue Fund | 539,184 | 539,184 | 435,513 |
| FD400: General Government Capital Projects Fund | 46,704,719 | 48,812,509 | 32,095,894 |
| FD420: Stormwater Capital Projects Fund | 738,183 | 856,600 | 886,581 |
| FD520: Storm Water Utility Enterprise Fund | 523,681 | - | - |
| FD650: School Risk Management Internal Service Fund | 2,000,000 | - | - |
| FD818: Virginia Beach Library Gift Fund | 20,000 | - | - |
| Total Transfer from General Fund | 558,569,103 | 601,790,221 | 601,781,834 |
| <u>Transfer from School Operating Fund</u> | | | |
| FD201: Green Run Collegiate Charter School Operating Fund | 4,144,443 | 4,363,929 | 4,873,251 |
| FD204: School Athletics Special Revenue Fund | 4,709,590 | 5,212,170 | 5,808,588 |
| FD214: School Grants Special Revenue Fund | 6,858,194 | 5,089,413 | 5,836,986 |
| FD480: Schools Capital Projects Fund | 1,000,000 | 2,000,000 | 3,000,000 |
| Total Transfer from School Operating Fund | 16,712,227 | 16,665,512 | 19,518,825 |
| <u>Transfer from Debt Fund</u> | | | |
| FD221: Agriculture Reserve Program Special Revenue Fund | 6,949,719 | 1,478,174 | 2,442,859 |
| Total Transfer from Debt Fund | 6,949,719 | 1,478,174 | 2,442,859 |
| <u>Transfer from School Reserve Special Revenue Fund</u> | | | |
| FD115: School Operating Fund | 667,182 | 333,591 | - |
| Total Transfer from School Reserve Special Revenue Fund | 667,182 | 333,591 | - |
| <u>Transfer from Agriculture Reserve Program Special Revenue Fund</u> | | | |
| FD400: General Government Capital Projects Fund | - | - | 500,000 |
| FD420: Stormwater Capital Projects Fund | 990,000 | 990,000 | 990,000 |
| Total Transfer from Agriculture Reserve Program Special Revenue Fund | 990,000 | 990,000 | 1,490,000 |
| <u>Transfer from Law Library Special Revenue Fund</u> | | | |
| FD100: General Fund | 40,000 | - | - |
| Total Transfer from Law Library Special Revenue Fund | 40,000 | - | - |
| <u>Transfer from Open Space and Parks Special Revenue Fund</u> | | | |
| FD400: General Government Capital Projects Fund | 2,500,000 | 2,500,000 | 3,000,000 |
| Total Transfer from Open Space and Parks Special Revenue Fund | 2,500,000 | 2,500,000 | 3,000,000 |

Transfer from Parks and Recreation Special Revenue Fund

| | | | |
|---|---------|-----------|-----------|
| FD100: General Fund | 364,500 | 377,550 | 377,500 |
| FD400: General Government Capital Projects Fund | 197,000 | 1,197,000 | 1,197,000 |
| Total Transfer from Parks and Recreation Special Revenue Fund | 561,500 | 1,574,550 | 1,574,500 |

Transfer from Commonwealth's Attorney Forfeited Assets Special Revenue Fund

| | | | |
|---|--------|---|---|
| FD100: General Fund | 10,812 | - | - |
| Total Transfer from Commonwealth's Attorney Forfeited Assets Special Revenue Fund | 10,812 | - | - |

Transfer from Sheriff's Office Special Revenue Fund

| | | | |
|---|--------|--------|--------|
| FD100: General Fund | 13,334 | 11,600 | 11,600 |
| Total Transfer from Sheriff's Office Special Revenue Fund | 13,334 | 11,600 | 11,600 |

Transfer from Tourism Advertising Program Special Revenue Fund

| | | | |
|--|--------|--------|---------|
| FD100: General Fund | 56,838 | 57,083 | 57,083 |
| FD400: General Government Capital Projects Fund | - | - | 500,000 |
| Total Transfer from Tourism Advertising Program Special Revenue Fund | 56,838 | 57,083 | 557,083 |

Transfer from Tourism Investment Program Special Revenue Fund

| | | | |
|---|-----------|-----------|-----------|
| FD100: General Fund | 15,170 | 15,170 | 15,170 |
| FD400: General Government Capital Projects Fund | 6,783,060 | 3,953,000 | 2,450,000 |
| Total Transfer from Tourism Investment Program Special Revenue Fund | 6,798,230 | 3,968,170 | 2,465,170 |

Transfer from Central Business District South Tax Increment Financing Fund

| | | | |
|--|---------|---------|---------|
| FD251: Town Center Special Service District Fund | 150,000 | 150,000 | 150,000 |
| Total Transfer from Central Business District South Tax Increment Financing Fund | 150,000 | 150,000 | 150,000 |

Transfer from Town Center Special Service District Fund

| | | | |
|---|---------|---------|---------|
| FD100: General Fund | 63,000 | 71,250 | 71,250 |
| FD400: General Government Capital Projects Fund | 502,726 | 502,726 | 502,726 |
| FD540: Parking Enterprise Fund | 68,500 | 72,000 | 72,000 |
| Total Transfer from Town Center Special Service District Fund | 634,226 | 645,976 | 645,976 |

Transfer from Sandbridge Special Service District Fund

| | | | |
|--|-----------|-----------|-----------|
| FD400: General Government Capital Projects Fund | 4,676,341 | 4,676,341 | 4,676,341 |
| Total Transfer from Sandbridge Special Service District Fund | 4,676,341 | 4,676,341 | 4,676,341 |

Transfer from Consolidated Grants Special Revenue Fund

| | | | |
|--|---------|---------|---------|
| FD100: General Fund | 34,680 | - | - |
| FD270: Consolidated Grants Special Revenue Fund | - | 10,000 | - |
| FD400: General Government Capital Projects Fund | 300,000 | 300,000 | 300,000 |
| Total Transfer from Consolidated Grants Special Revenue Fund | 334,680 | 310,000 | 300,000 |

Transfer from Community Development Grant Special Revenue Fund

| | | | |
|--|---------|--------|---|
| FD100: General Fund | 128,858 | 95,163 | - |
| Total Transfer from Community Development Grant Special Revenue Fund | 128,858 | 95,163 | - |

Transfer from Old Donation Creek Dredging Special Service District Fund

| | | | |
|---|---------|---|---------|
| FD400: General Government Capital Projects Fund | 364,504 | - | 107,594 |
| Total Transfer from Old Donation Creek Dredging Special Service District Fund | 364,504 | - | 107,594 |

Transfer from Water And Sewer Enterprise Fund

| | | | |
|---|------------|------------|------------|
| FD100: General Fund | 9,915,233 | 10,064,080 | 9,357,647 |
| FD410: Water and Sewer Capital Projects Fund | 7,023,893 | 8,600,000 | 8,000,000 |
| Total Transfer from Water And Sewer Enterprise Fund | 16,939,126 | 18,664,080 | 17,357,647 |

Transfer from Storm Water Utility Enterprise Fund

| | | | |
|---|------------|------------|------------|
| FD100: General Fund | 1,875,844 | 1,875,844 | 1,603,401 |
| FD420: Stormwater Capital Projects Fund | 19,334,063 | 17,138,220 | 16,644,767 |
| FD510: Water And Sewer Enterprise Fund | 1,245,710 | 1,303,901 | 1,394,251 |
| Total Transfer from Storm Water Utility Enterprise Fund | 22,455,617 | 20,317,965 | 19,642,419 |

Transfer from Waste Management Enterprise Fund

| | | | |
|--|-----------|-----------|-----------|
| FD100: General Fund | 2,126,259 | 2,139,853 | 1,652,051 |
| FD510: Water And Sewer Enterprise Fund | 880,583 | 919,425 | 971,383 |
| Total Transfer from Waste Management Enterprise Fund | 3,006,842 | 3,059,278 | 2,623,434 |

Transfer from Parking Enterprise Fund

| | | | |
|---|---------|-----------|---------|
| FD100: General Fund | 304,244 | 546,767 | 341,540 |
| FD400: General Government Capital Projects Fund | 500,000 | 500,000 | 500,000 |
| Total Transfer from Parking Enterprise Fund | 804,244 | 1,046,767 | 841,540 |

Transfer from City Garage Internal Service Fund

| | | | |
|---|-------|---|---|
| FD100: General Fund | 1,734 | - | - |
| Total Transfer from City Garage Internal Service Fund | 1,734 | - | - |

Transfer from Bayville Creek Dredging Special Service District Fund

| | | | |
|---|---------|---|--------|
| FD400: General Government Capital Projects Fund | 286,000 | - | 66,549 |
| Total Transfer from Bayville Creek Dredging Special Service District Fund | 286,000 | - | 66,549 |

Transfer from Shadowlawn Dredging Special Service District Fund

| | | | |
|---|--------|---------|---|
| FD400: General Government Capital Projects Fund | 42,000 | 209,000 | - |
| Total Transfer from Shadowlawn Dredging Special Service District Fund | 42,000 | 209,000 | - |

Transfer from Harbour Point Dredging Special Service District Fund

| | | | |
|--|--------|---------|--------|
| FD400: General Government Capital Projects Fund | 22,000 | 108,000 | 55,939 |
| Total Transfer from Harbour Point Dredging Special Service District Fund | 22,000 | 108,000 | 55,939 |

Transfer from Flood Protection Fund

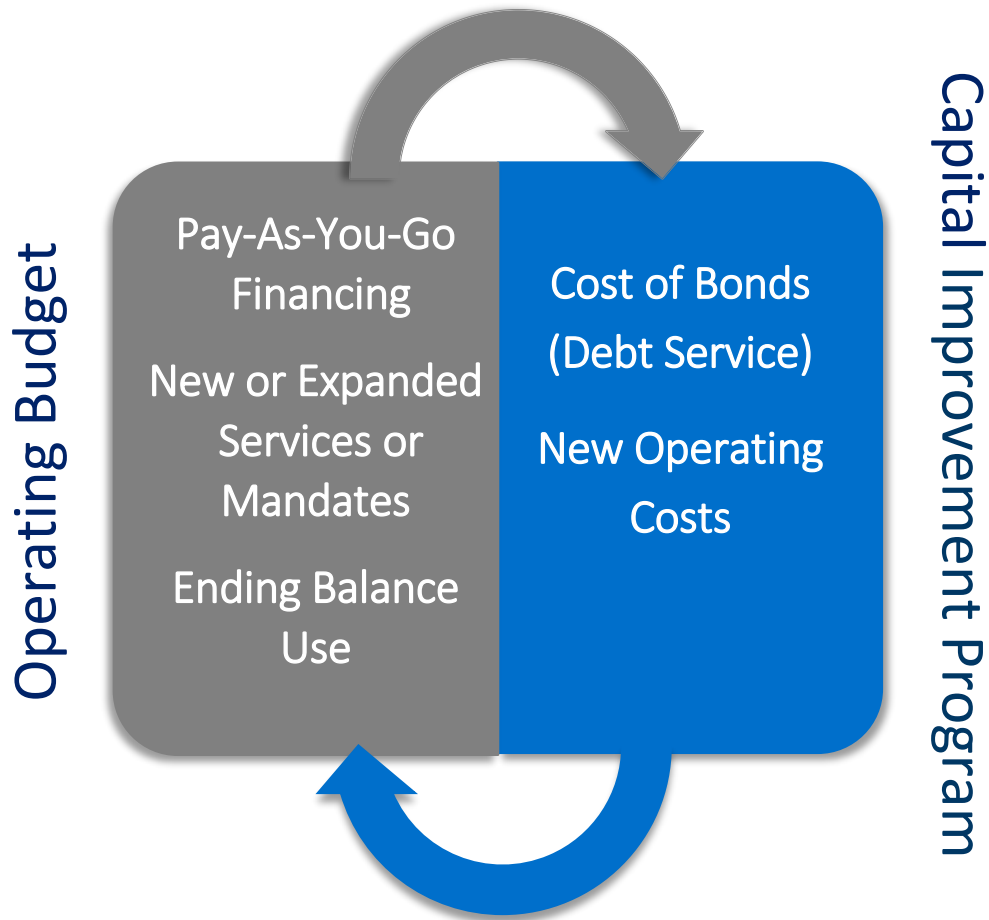
| | | | |
|---|---------|-----------|-----------|
| FD430: Flood Protection Capital Projects Fund | 495,000 | 1,000,000 | 1,000,000 |
| Total Transfer from Flood Protection Fund | 495,000 | 1,000,000 | 1,000,000 |

TOTAL INTERFUND TRANSFERS FOR ALL FUNDS

| | | |
|-------------|-------------|-------------|
| 644,210,117 | 679,651,471 | 680,309,310 |
|-------------|-------------|-------------|

RELATIONSHIP OF THE OPERATING BUDGET TO THE CAPITAL IMPROVEMENT PROGRAM

As the graph illustrates, there is a closed linkage between the Operating Budget and Capital Improvement Program. Decisions made in one area, may affect the other. For example, if the City were to construct and open a new fire station, the city must also plan to hire additional firefighter positions. Likewise, an expansion to a recreational program may require the construction of a new facility within the CIP.



REVENUE

Forecasting Methodology

The City uses the following methods to forecast revenues:

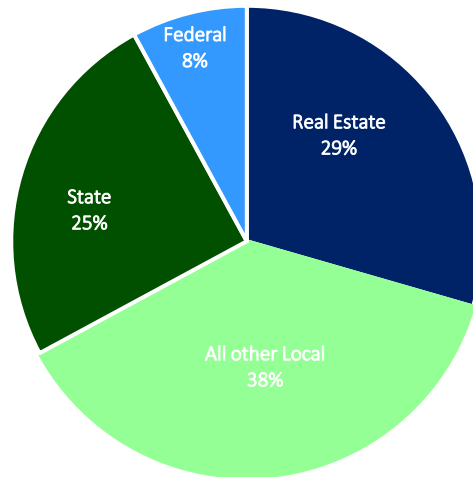
- Survey departments regarding trends in revenues
- Interview local economists and review national economic forecasting projections
- Monitor national and local economic trends
- Examine State and Federal budgets and legislative changes
- Examine relationships between revenues and economic variables

Final projections are based on a combination of the above techniques, as well as educated judgment. The generally accepted forecasting margin of error is 2.0%. For the most recently completed year, FY 2022-23 the City’s General Fund revenue projection produced a variance of 0.12% when compared to actual collections. This variance is much more in line with historical trends, unlike the previous two fiscal years with larger variances attributed to higher-than-expected revenue collections, primarily the overperformance of consumer-driven revenues such as general sales and meals tax revenue.

Local Sources of Revenue

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. In FY 2024-25, local sources, including fund balance, make up approximately 67% of total revenue. The largest individual revenue generator for the City is the real estate tax, which generates over a quarter of the City’s total revenue and nearly half of the City’s General Fund tax revenue.

Revenue Sources in FY 2024-25



Dedications

The City dedicates a portion of several other local taxes to City Council priorities. The following table provides a breakdown of the City’s major local tax dedications. Additional information on dedications, including Real Estate Tax dedications, can be found in the Executive Summary document.

| Tax | Local Rate | Non-Dedicated General Fund | TIP Fund | TAP Fund | EDIP | Open Space |
|--------------------------|------------|----------------------------|----------|----------|------|------------|
| Amusement | 10% | - | 10% | - | - | - |
| Hotel Tax | 8% | 2% | 5% | 1% | - | - |
| Hotel Flat Tax | \$2 | - | \$1 | \$1 | - | - |
| Restaurant Meal Tax | 5.5% | 3.5% | 1.06% | 0.5% | - | 0.44% |
| Cigarette Tax (per pack) | 75¢ | 54¢ | 5¢ | - | 16¢ | - |

Revenue Summary by Type

Real Estate Tax

The City Real Estate Assessor is projecting a \$82.1 billion (7.37%) increase in assessments for FY2024-25. This growth is being driven primarily by residential properties, which includes both growth (0.5%) and appreciated value of 6.8% on average.

Excluding the TIF, for each 1¢ of the Real Estate Tax generates \$7,842,400.

Both residential and commercial properties are assessed annually by analyzing sales, business activity, income and expense reports and rent rolls. Of the city's 10 districts, District 6, which includes about half of the Resort Area and the North End, had the highest total assessed value at \$13.8 billion.

It is important to note that there was growth in the commercial sector as well; however, not all commercial properties values are growing at the same pace. Offices had the smallest change in assessed value at 0.1% while hotels grew at 15.7%.

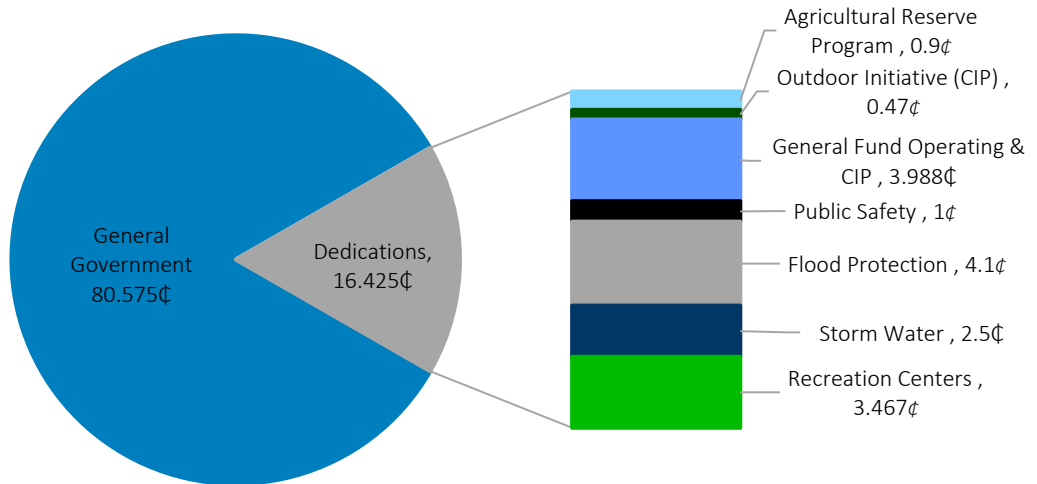
Demand for existing homes has eased during the last year, causing a slight cooling off in the housing market and for home values. Increased interest rates have driven some to purchase less expensive homes than they may have been able to afford last year and has driven other out of the market all together, choosing to wait until interest rates come back down.

Despite this, home values continue to remain strong as the City heads into FY 2024-25. The median home assessment continues to increase year over year and has reached \$347,700. New houses with the highest assessed value were built in Sandbridge and North Virginia Beach. The city forgoes more than \$30 million in real estate tax revenue each year through exemption programs.

In FY 2024-25, the real estate tax rate is projected to be \$0.97 per \$100 of assessed value, a reduction of 2¢ from the current fiscal year. Total real estate tax revenue – including all dedications, the Town Center TIF, and Special Service Districts – is expected to increase to \$781.1 million. Of this amount, General Fund real estate tax revenue is expected to total \$700,281,996. General Fund real estate tax revenue represents 47.5% of the total revenue estimate for the General Fund in FY 2024-25.

While the majority of the real estate tax supports general government operations (including Virginia Beach City Public Schools), City Council has dedicated portions of the real estate tax to fund various priorities. The graph on the following page identifies the priority areas that the dedicated rate supports. These dedications have varied over time, depending on conditions in the City and City Council priorities. In FY 2024-25's Proposed Budget, the dedication amounts remain unchanged but several dedications (including the trustee tax dedications mentioned previously) are transferring funding to the Capital Improvement Program to offset the reduced revenue in the General Fund following the tax rate reduction.

Real Estate Tax Dedications



Personal Property

Revenue generated from personal property taxes consist of taxes assessed on vehicles, business personal property, commercial boats, recreational vehicles, mobile homes, and several pleasure and leisure items. Of these, vehicles and business personal property taxes represent the largest share of the revenue collected.

Virginia Beach's vehicle personal property revenue collections come from two sources. The first source is a frozen reimbursement amount of \$53,412,868 received annually from Commonwealth of Virginia for implementation of the Personal Property Tax Relief Act (PPTRA), which was adopted by the General Assembly in 1998. The second source is received from the citizens of the City through payment of their personal property taxes. The percentage of residents' personal property tax liability that will be billed annually is determined by calculating the percentage of the eligible tax liability covered by the state reimbursement. This means that as total assessments increase, the portion of residents' tax liability that will be paid for through the PPTRA decreases.

The car market has proven to be very volatile in recent years. The pandemic created chip shortages which stopped production of new vehicles. Lower levels of new car availability resulted in increased demand for used cars resulting in used vehicle prices increasing. Per JD Power, that trend has reversed and used car values are declining and forecasted to continue their decline in values. For Virginia Beach, the used vehicle base has historically represented somewhere around 80% of the vehicle assessment base. Other localities are already seeing the correction and experiencing a declining revenue in the current year. With more corrections and declining values to occur, a conservative revenue estimate is being made for FY 2024-25. Although a decline in used vehicle values is projected, new vehicle sales will likely offset a portion or all of that decline. For this reason, year over year revenue growth is projected to decline less than 1% or remain relatively flat.

In total, revenue from Personal Property taxes is estimated to be \$206,725,457 in FY 2024-25, a reduction 0.7% of the FY 2023-24 Adopted Budget.

General Sales

The Commonwealth of Virginia imposes a 4.3% statewide sales and use tax and a 1.0% local option sales tax. In addition to these rates, a 0.7% regional sales and use tax is applied in Northern Virginia and Hampton Roads, making the combined sales and use tax rate 6% in Virginia Beach. Estimated revenue from the General Sales tax in FY 2024-25 is \$93,281,986, a 1.5% increase from the FY 2023-24 Adopted Budget.

Post pandemic, this revenue experienced higher than anticipated growth due to the influx of federal spending to boost the national economy. This stimulus led to higher levels of disposable income, which was then used to purchase goods and services. Growth is also attributed to the fact that online sales are now being reported, and sales tax is now being collected, for businesses that have established an economic nexus with the Commonwealth of Virginia. An economic nexus is defined as 200 or more transactions or more than \$100,000 in annual gross revenue.

While this revenue is still expected to remain higher than pre-pandemic levels, the surge in consumer spending has started to wane. This is likely due to the impacts of inflation and federal student loan repayments resuming for the first time in nearly four years.

Utility Taxes

These taxes apply to electric, gas, and water bills for residential and commercial properties. According to Dominion Energy, approximately 50% of the City’s utility tax revenue is generated by residential customers and 50% is generated by commercial customers. For residential properties, the Code of Virginia limits the tax to 20% of the first \$15 of a bill, meaning that growth in residential utility revenue can only occur with an increase in the number of utility customers. Increased utility charges for commercial customers are generally more lucrative than residential increases because the utility tax rate cap for businesses is less rigorous than for residential customers.

Utility taxes remain a stable revenue source and for FY 2024-25, estimated revenue for utility taxes is expected to remain flat from the current fiscal year at \$25.9 million.

Virginia Telecommunications Tax

The Virginia Telecommunication Tax is a uniform 5% tax and an additional Right-of-Way fee per line. The tax applies to satellite TV, internet phone service, Voice-Over-Internet-Protocol (VOIP), and satellite radio but not data plans and streaming services. In recent years, market demand has shifted, and consumers have begun “cutting the cord,” moving from traditional cable and phone services to streaming services. This has led to a consistent decline in telecom revenue.

Despite decreasing tax revenue, efforts to amend the tax policy in the General Assembly to cover more relevant technology have been consistently unsuccessful. Until such a bill passes, the amount realized from the telecommunications tax will likely diminish each year. The City also includes the cable franchise fee as part of telecommunications tax revenue. The cable fee is subject to the same conditions as the rest of the industry – higher annual bills that have been offset by declining subscription rates.

Virginia telecommunications tax revenue is collected by the Commonwealth of Virginia and distributed to localities based on each locality’s percentage share of total state revenue at the time the current policy was adopted, July 1, 2006. This means that local changes in telecommunications tax payments have only a marginal impact on Virginia Beach’s realized telecommunications tax revenues. For FY 2024-25, this revenue is to remain largely stable and generate \$16,448,063.

Business Professional and Occupational License Tax (BPOL)

Business Professional and Occupational License (BPOL) taxes are determined using a business’ gross receipts between January 1st and December 31st of a given year. The thresholds are as follows:

| Gross Receipts | Rate |
|-----------------------|-------------------------------|
| \$0 - \$25,000 | \$25 |
| \$25,001 - \$100,000 | \$40 |
| \$100,001 - \$200,000 | \$50 |
| \$200,000 + | Varied Based on Business Type |

For all businesses with gross receipts exceeding \$200,000, the tax rate varies based on the type of business. Applicable tax rates for each business type are shown in the table below.

| Business Type | Tax Rate |
|---------------|------------------------|
| Contracting | .0016 x gross receipts |
| Professional | .0058 x gross receipts |
| Retail | .0020 x gross receipts |
| Service | .0036 x gross receipts |
| Wholesale | .0012 x gross receipts |

Estimated BPOL revenue in FY 2024-25 is \$62,625,915, a 6.6% increase from the FY 2023-24 Adopted Budget.

Automobile License Fee

In FY 2003-04, the City eliminated the issuance of physical decal stickers for vehicles, and the State Department of Motor Vehicles (DMV) began collecting these fees through a program called Local Vehicle Registration (LVR). The DMV represents a more comprehensive source for vehicle discovery and assists with the collection of delinquent fees. For participation in the program, the DMV charges the City \$2 per vehicle registered, which is then deducted from the revenue remitted to the City. Automobile licenses can be purchased for one, two, or three-year periods. While this can lead to volatility in year-over-year revenue collections, overall, this is a stable revenue source for the City.

Total automobile license revenue is estimated to be \$10,639,555 in FY 2024-25. This represents a decrease of 1.2% from the FY 2023-24 Adopted Budget.

Cigarette Tax

During the last decade, cigarette tax revenue has continued to decline. This is an unsurprising trend given that tobacco use among adults has fallen from 20.6% in 2009, to 12.5% in 2020, according to the Centers for Disease Control and Prevention. This trend is expected to continue in the coming years, as recent legislative changes have been directed at reducing tobacco use among youth.

On July 1, 2019, the legal purchasing age for tobacco products was increased from 18 to 21, with the only exception being for active-duty military members with a valid military identification. This law applies to the purchase of all tobacco, nicotine vapor, and alternative nicotine products. Expectations are that this law will have an appreciable impact on overall tobacco usage since, according to the National Academy of Medicine, 90% of tobacco users report first usage before the age of 19. In addition to this change, another factor contributing to the decline in this revenue in recent years is individuals switching from cigarettes to vaping, which is not taxed in the same manner.

For every pack of cigarettes sold, the Tourism Investment Program Fund receives 5¢, the Economic Development Investment Program receives 16¢, and the remainder is allocated to the General Fund. In FY 2024-25, anticipated revenue generated from the cigarette tax is expected to be \$7,492,854 a 3.7% decrease from the FY 2023-24 Adopted Budget and an 11.6% decrease from actual revenue generated in FY 2022-23.

Hotel Tax

The hospitality industry is a major driver of the local economy; as such, revenue generated from hotel taxes are a substantial portion of the City’s revenue. Hotel tax revenue is comprised of two separate components, an 8% tax on hotel stays and a flat \$2 tax per room night. The tax on hotel stays is driven primarily by the cost of a night’s stay in a hotel, while the flat tax is driven by the number of nights a room is booked. This means that the hotel tax revenue is dependent on the economic climate and the desirability of Virginia Beach as a tourist destination.

As the City reopened and individuals were able to travel again amid the COVID-19 pandemic, the City saw a surge in tourism. This was partially due to pent up demand after more than a year of living with social distancing measures

and travel restrictions, as well as the fact that Virginia Beach was among the first travel destinations to reopen. However, the annual growth in this revenue has begun to slow. In August 2023, the 12-month occupancy averaged 59.8%, below the market average of 62.1%. With that being said, the average daily rate was \$162.67, just over a 1% annual increase, and nearly 300 additional rooms were added to the market.

In FY2024-25, hotel taxes are expected to total \$53,165,843, including the percentage tax, flat tax, and penalties, a 4% annual increase.

Hotel Percentage Tax

Portions of the hotel percentage tax are dedicated to funds used to invest in tourism development and oceanfront infrastructure in Virginia Beach, such as the Tourism Investment Program (TIP) and Tourism Advertising Program (TAP). In addition, hotel percentage tax dedications and rates vary by location. The citywide hotel tax rate is 8%; however, there is an additional 1.5% tax in the Sandbridge Special Service District (SSD), for a total tax of 9.5%. Revenues collected by the SSD are used for beach replenishment and maintenance. A detailed breakdown of hotel percentage tax dedications is shown in the charts below.

In FY 2024-25, total revenue from the hotel percentage tax, including revenue generated in the Sandbridge Special Service District, is estimated to be \$47,663,913. Of this amount, the General Fund's portion is \$11,373,326. This represents a 1.7% increase over the FY 2023-24 Adopted Budget and a 3.0% increase over actual revenue received in FY 2022-23.

Hotel Flat Tax

A tax of \$2 per room night is levied on all hotel rooms in the City. In most of the City, the revenue generated from this tax is split between the Tourism Investment Program (TIP) and Tourism Advertising Program (TAP), with \$1 going to the TIP and \$1 going to the TAP. The exception to this is hotel rooms in the Sandbridge Special Service District (SSD), where \$1 is dedicated to the SSSD and \$1 is dedicated to the TIP. This tax is driven by the number of room nights booked in the City's hotels and not by room prices.

Prior to 2017, the City levied a \$1 flat tax per room night that was applied solely to the TAP and Sandbridge SSD. City Council adopted the increased, \$2 flat tax in January 2017, with the additional dollar dedicated to the TIP. This additional \$1 tax levy was scheduled to sunset on June 30, 2022; however, the Adopted FY 2022-23 Adopted Budget eliminated the sunset provision of the \$1 per room night that is dedicated to the Tourism Investment Program (TIP) fund and future sunsets to other consumer driven revenues to other funds. These revenue streams are used for the financing of projects in the Resort Area.

Given the occupancy rate trends during the last year, total revenue from the hotel flat tax is estimated to be \$5,397,560, in line with FY 2022-23 actuals. The General Fund does not receive any revenue from the hotel flat tax.

Restaurant Meal Tax

The restaurant meal tax is another significant revenue source for the City, representing 37% of consumer-driven revenue collections in FY 2021-22. This revenue has remained resilient in recent years, despite the COVID-19 pandemic. In fact, this revenue has grown 9%, on average, during the last three years, significantly outperforming the historical average of 4.5% annual growth. As with all consumer-driven revenue, however, restaurant revenue growth has slowed slightly due to inflationary pressures in the economy. Higher food and supply prices for restaurants have been passed along to consumers in many cases, influencing their behavior and leading to decreased consumption when compared to the last three years.

Despite this, revenue generated from the Restaurant Meals Tax is still expected to grow in FY 2024-25 to \$97.3 million (excluding penalties), a 5.7% increase from the FY 2023-24 Adopted Budget, and an 6.0% increase from actual revenue in FY 2022-23.

Permits, Privilege Fees, Regulatory Licenses, and Fines

This revenue source includes a broad range of governmental service permits, privileges, regulatory licenses, fines, and forfeitures. Realized revenue from these categories are primarily a function of population, age, economic climate, and real estate/construction industry activities.

In addition, this revenue source contains local government applied fines and forfeitures, with three primary revenues of Court Fines, Red Light Camera Violations, and Parking Tickets generated at the Oceanfront and in Town Center. These fees are designed to reduce violations of the law.

In FY 2024-25, total revenue from Permits, Privilege Fees, and Regulatory Licenses is estimated to be \$9,963,719. Of this total, the General Fund is anticipated to receive \$9,720,511.

Revenue from the Use of Money and Property

This revenue source is comprised of a broad range of financial and physical resource revenues; however, the largest individual contributors are interest on bank deposits and use of City property. For this reason, changes in market interest rates have an impact on realized revenues.

In FY 2024-25, total revenue from the use of money and property is estimated to be \$19,084,457. Of this total the General Fund is anticipated to receive \$13,340,575.

Charges for Services

Charges for Services are made up of a range of revenues offsetting the cost of delivering services and programs. The General Fund receives only a small portion of this overall amount because most charges for services are related to Enterprise Fund fee collections. In FY 2024-25, Parks and Recreation will be increasing several user fees, including an adjustment to the membership fee, which will generate additional revenue for the department to help support programs and facility maintenance needs at the City's seven recreation centers. In addition, the return of large-scale events at the Virginia Beach Convention Center helps to support growth in this particular revenue. In addition, Waste Management and the Water & Sewer Enterprise Fund have rate increases for FY 2024-25 to support the cost of service. Additional details on these rates can be found throughout the document.

In FY 2024-25, total revenue from Charges for Services is estimated to be \$593,984,814. Of this total, the General Fund is estimated to receive \$54,694,930.

State and Federal Revenue

Estimates for these revenues are based on historical trends, General Assembly budget proposals, gubernatorial recommendations, and congressional action. State and federal budgetary timelines that do not align with the local fiscal cycle, as well as partisan activities that prolong budgetary processes, may impact the consistency of programmed support from year to year. For these reasons, the City budget for state and federal revenues is based upon current state and federal funding strategies that can be anticipated with some degree of certainty. The majority of all budgeted state and federal revenue are earmarked for School funding, human services, or housing assistance.

In FY 2024-25, total revenues from the Commonwealth of Virginia are estimated to be \$667.1 million. Of this amount, the General Fund is projected to receive \$134,299,832. Total revenues from the federal government are estimated to be \$179.5 million in FY 2024-25. Of this amount, the General Fund is projected to receive \$25,492,274. Together, these revenues represent approximately 33% of all anticipated revenue in FY 2024-25. As the

Commonwealth adopts their FY 2024-25 budgets in the coming months, these estimates may be refined via City Council action.

Special Revenue Funds (SRF)

Schools

In Virginia Beach, the public-school system depends on the City for a portion of their funding. The following funds comprise the total School operations: School Operating, Green Run Collegiate Charter School, School Vending Operations, School Grants, School Textbooks, School Athletics, School Cafeterias, School Instructional Technology, School Equipment Replacement, School Communication Tower Technology, School Risk Management, and City and School Health Insurance. Non-local revenue estimates for these funds are provided by School Administration and are based on information received from state and federal agencies at the time of budget preparation.

State funds are allocated to Virginia Beach City Public Schools (VBCPS) based on a two-part formula adopted by the General Assembly. The first portion of the state funding formula is based on Standards of Quality (SOQ) used to determine the number of teachers required for each school system, funded at an average salary. The second portion of the state formula is the Local Ability-to-Pay Composite Index, which is used to determine the funding breakdown between the State and localities. Under this index, wealthy communities receive a smaller proportion of State aid, while less-wealthy communities receive a larger proportion, and the City is responsible for the amount required beyond what the state provides. Additional State funds received by the Schools are earmarked 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. Virginia Beach schools also receive revenue from the federal government, predominantly in the form of Federal Impact Aid, for the cost of educating children of military service members and the free and reduced lunch program. In FY 2024-25, Schools anticipates receiving \$135,646,902 in categorical grants.

In November of 2019, City Council adopted a Revenue Sharing Formula intended to facilitate long-term planning and share growth in the City's tax base with the Schools. The school funding policy implements a straight revenue sharing formula, in which 46.75% of all non-dedicated local tax revenues are allocated to the Schools. Once funding is transferred to the Schools, the School Board has the sole authority to oversee all financial operations.

Based on revenue estimates, VBCPS' share in local revenue for FY 2024-25 calculated using the Revenue Sharing Formula is \$526,563,307. When compared with the Adopted FY 2023-24 operating budget, this budget includes an increase of 2.6% or \$13,279,601 in City support to VBCPS, because of increases in formula revenues. Overall growth of the Schools' General Fund is 1.6% or \$15.6 million. As mentioned in the previous section on state and federal revenue, as the Commonwealth adopts their FY 2024-25 budgets in the coming months, these estimates may be refined via City Council action. The Governor's Proposed budget from December 2023 had very little year over year revenue growth for the Schools, but the final adopted State Budget is likely to have additional support for the district.

Housing

The following funds comprise the majority of the operations for the Department of Housing and Neighborhood Preservation in FY 2024-25: State Rental Assistance, Grants Consolidated, Community Development Special Revenue, 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 Commonwealth 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. Revenue estimates for these funds total \$44,103,182.

Parks and Recreation Special Revenue Fund

The Parks and Recreation Special Revenue Fund comprises 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, and a dedicated portion of the real estate tax (which can be founded in the table “Dedication of Local Revenues,”) to support recreation center operations.

Until FY 2023-24, the Parks and Recreation Special Revenue Fund was also supported by a transfer from the General Fund. This transfer funded various programs, including Park Services, the Out-of-School Time program, therapeutic recreation programs, inclusion services, and the Youth Opportunities Office, among other programs and divisions. Beginning in FY 2023-24, rather than transferring these funds, they will become part of the department’s General Fund operating budget. This change had operational impact on the department.

Parks and Recreation Special Revenue Fund revenue for FY 2024-25 is estimated to be \$34,517,090. This revenue is being partially supported by the fees generated by the recreation centers. The department of Parks and Recreation plans to increase various fees in the coming fiscal year including the annual membership fee for residents. Additional information can be found within the Parks & Recreation Department write-up and on the “Summary of Tax & Fee Adjustments” table in the Executive Summary.

Sheriff’s 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.

In FY 2024-25, revenue is estimated to grow 7.2% to \$69,296,520, primarily as a result of an increased transfer of \$3.1 million (a total of \$40,909,779) from the General Fund.

Tourism Investment Program Fund

The Tourism Investment Program (TIP) receives dedicated revenue streams to fund tourism and other economic vitality related operating costs and capital projects. Revenues in this fund are primarily generated from 5% of the hotel tax and \$1 of the \$2 Hotel Flat 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.

Total estimated revenue for the TIP fund in FY 2024-25 is \$56,130,125, including the use of \$786,250 in fund balance. This represents an 8.2% decrease from FY 2023-24. This is directly related to the reduced need in the fund for debt service payments as the Convention Center debt is retired. Because of this reduced expenditure need, the fund’s planned reliance of fund balance was reduced from FY 2023-24 to FY 2024-25 significantly.

Tourism Advertising Program Fund

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

In FY 2024-25, TAP Fund revenue is estimated to be \$18,198,103. This represents growth of 12.9%, or \$2,086,270, over the FY 2023-24 Adopted Budget.

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 primarily derived from a dedication of 0.9¢ (nine tenths of one cent) of the City's real estate tax revenue.

In FY 2024-25, revenue for the ARP is estimated to be \$9,558,973, an increase of \$1,404,287 or 17.2% from the FY 2023-24 Adopted Budget. During the next several years, revenue in this fund will fluctuate annually because of scheduled principal repayments. For more information, please see the Agriculture section of this document.

Open Space Special Revenue Fund

This fund provides funding for the preservation of land that has been identified in Parks and Recreation's Outdoors Plan as a candidate for future recreational amenities in the City. This plan calls for the preservation of 5% of the City's land for parks, trails, or natural vistas. The sources of revenue for this fund are a 0.44% dedication of the Restaurant Meal tax and the use of fund balance.

In FY 2024-25, estimated revenue is expected to increase by 5.7% to \$7,781,454.

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 a designated district. The financing of a TIF district 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, which are usually associated with the cost of these improvements. All TIF-related revenues are excluded from the City/School Revenue Sharing Formula.

Central Business District-South TIF (Town Center)

The Town Center TIF exists to facilitate a public-private partnership to develop high-rise office, hotel, and retail structures in the Pembroke area of the City. The TIF is funded by real estate taxes on the increase in assessments over the base year and hotel room taxes generated in the district and is used to fund debt service costs associated with the construction of public parking at this facility.

The CBD-South TIF revenue is expected to increase by 5.5% in FY 2024-25 to \$10,980,916.

Special Service District Funds

The Code of Virginia (Section 15.2-2400-2403.4) authorizes localities to establish Special Service Districts (SSD), which are intended to provide enhanced services within a predetermined geographic boundary. The Code of Virginia also grants localities the authority to impose additional taxes or rates within the SSD to finance these enhanced services. In addition, existing tax dedications may be restructured within the boundaries of an SSD. The City of Virginia Beach currently has ten established Special Service Districts, eight of which are for neighborhood dredging projects.

Town Center Special Service District

The Town Center SSD was established in May 2002 for the purpose of operating and maintaining parking garages, enhanced maintenance and cleaning of public streets and sidewalks, more frequent garbage removal, enhanced lighting, additional beautification, and landscaping for public spaces, as well as enhanced entertainment and extra security in Town Center. The current real estate surcharge for this SSD is 45¢ per \$100 of assessed value.

Total estimated revenue for the Town Center SSD in FY 2024-25 is \$3,866,576, which represents a 0.1% or \$4,880 increase from the FY 2023-24 Adopted budget. Revenue generated from the real estate surcharge is \$2.6 million, while the remaining is miscellaneous local revenue and \$551,247 reliance on fund balance.

Sandbridge Special Service District

The Sandbridge SSD was established by Council in November 1994, with a real estate surcharge rate of 6¢ per \$100 of assessed value. The purpose of the Sandbridge SSD is to ensure adequate funding for sand replenishment of Sandbridge Beach. In addition to the real estate surcharge, the SSD retains \$1 per room night of the hotel flat tax, as well as revenue from the hotel percentage tax. The total hotel rate in Sandbridge is 9.5%, of which the SSD retains 6.5%.

In FY 2023-24, the real estate surcharge rate for the Sandbridge SSD was reduced from 2¢ to 1¢ per \$100 of assessed value. Total revenue for the Sandbridge SSD is estimated to be \$5,864,421 in FY 2024-25.

Neighborhood Dredging Special Service Districts

In coordination with several waterfront neighborhoods, the City has established neighborhood dredging Special Service Districts, where the waterfront property owners within the community have agreed to a surcharge on their real estate taxes for the express purpose of constructing navigation channels through a 16-year dredging program.

In these districts, the City cost-participates by dredging a ‘spur’ channel from the main City navigation channel to the neighborhood. The Special Service District revenues cover the cost of continuing that channel, as a ‘neighborhood channel’ into the community to serve all participating properties. Individual channels linking private properties to the neighborhood channel are funded entirely by those property owners wishing to connect to the system. The City provides project management, including design, permitting, real estate acquisition, construction, and monitoring. The costs of these project management services for the neighborhood channel system are paid by the SSD, and by the individual property owners who elect to participate by creating individual channels to their properties. There are currently eight neighborhood dredging special service districts. Their individual rates and estimated revenues from real estate are shown in the table. In FY 2024-25 two SSDs, Gills Cove, and Schilling Point, require rate adjustments to ensure the programs are adequately funded.

| Neighborhood | Rate | Revenue |
|--------------------|-------|-----------|
| Old Donation Creek | 18.4¢ | \$83,449 |
| Bayville Creek | 47.2¢ | \$79,000 |
| Shadowlawn | 15.9¢ | \$37,119 |
| Harbour Point | 12.0¢ | \$31,424 |
| Chesapeake Colony | 29.1¢ | \$231,025 |
| Gills Cove | 16.0¢ | \$45,937 |
| Hurds Cove | 43.8¢ | \$246,905 |
| Schilling Point | 58¢ | \$66,766 |

More information about each of these SSDs can be found in Special Financing District section of this document, as well as in the Coastal section of the Capital Improvement Program document.

Enterprise/Utility Funds

Parking Enterprise Fund

This fund is supported by revenues generated through the operations of the Parking Systems Management Office, which manages the operation of parking lots at the Oceanfront and Sandbridge, Oceanfront parking meters, and the 9th Street, 25th Street, and 31st Street parking garages at the Oceanfront. In addition, the Parking Office oversees the contract for management of the Town Center garages and is involved in the structural engineering contract for all City garages. The primary revenue streams collected by the Parking enterprise fund and used by the Parking Systems Management Office are residential parking permit fees, parking ticket fees, and charges for service at the City's garages or parking meters. In FY 2021-22, the Parking Enterprise Fund implemented paid parking at the Virginia Aquarium. In FY 2022-23, the Parking Management Office made adjustments to the fee structure for Resort Area parking to align with Resort Area Mobility Plan.

In FY 2024-25, total revenue in the Parking Enterprise Fund is estimated to be \$6,970,302, a 12.1% increase over the FY 2023-24 Adopted Budget.

Water and Sewer

The Water and Sewer Fund operates as a self-supporting enterprise fund. All operating and debt service costs are financed and 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 94% of the fund's revenue.

The Adopted FY 2023-24 Budget included a five-year phased in increase to these fees, including the water commodity rate, sanitary sewer charge, water service availability charge, capital recovery fees, and water meter installation fees. As with many other departments and services, cost increases are necessary in order to account for the cost of providing services. Among the significant cost increases are higher employee compensation costs due to compensation and minimum wage increases, the cost of compliance with the EPA's revised Lead and Copper Rule, and higher supply costs due to inflationary pressures. Estimated revenue in the Water and Sewer Fund is expected to be \$149,543,663 in FY 2024-25, a 5.8% increase when compared to the FY 2023-24 Adopted Budget.

Storm Water Utility Enterprise Fund

Since 1993, this fund has been supported primarily by the stormwater equivalent residential unit (ERU) fee. Other fund revenues include interest on bank deposits and other miscellaneous sources. The stormwater ERU fee is billed monthly as a part of the City's combined services bill for water, sewer, stormwater, and solid waste.

An ERU is equal to 2,269 square feet. All single-family homes are billed for one ERU, regardless of actual square footage of impervious area. Non-residential parcels are billed as multiples of the ERU and are based on actual impervious area. Undeveloped property is not charged an ERU fee. Commercial properties are also eligible for a stormwater fee credit/adjustment program. This program incentivizes property owners to have onsite stormwater management, which reduces the reliance on the City's stormwater system. In total, the City provides credit for approximately \$900,000 in ERU fees to commercial properties, which is equal to 2% of the total ERU revenue generated.

Following the passage of the Flood Protection Bond Program through a Referendum in the November 2021 election, City Council adopted an ordinance that froze the Stormwater Equivalent Residential Unit (ERU) fee at the current rate of 49.3¢ daily until FY 2028-29. In FY 2024-25, total revenue for the Stormwater Enterprise Fund is estimated to be \$49,276,198, an increase of 5.9% from the FY 2023-24 Adopted Budget due to the increased reliance on fund balance to support operations, not growth in ERU revenue.

Waste Management Enterprise Fund

The Waste Management Fund was established in FY 2011-12 as a special revenue fund and has since transitioned to an enterprise fund. The Fund is primarily supported from charges for service in relation to waste and refuse collection. Other revenue sources include an annual grant from the Commonwealth of Virginia, transfers from other City funds for provision of waste collection, interest on bank deposits, and other miscellaneous sources related to the sale of materials. FY 2017-2018 marked the last year that the Waste Management Fund received annual assistance from the General Fund for the purpose of the City's annual payment to the Southeastern Public Service Authority (SPSA) for the use of their facilities.

As an Enterprise Fund, the Waste Management Fund is responsible for its own operating and capital costs, including SPSA payments. The Public Works FY 2023-24 budget include an increase to the waste collection fee of \$2.50 per month from \$25.00 per month to \$27.50 per month per residence. This increase supported the daily operations of the Waste Management division and will cover the increased costs for staffing, fuel, vehicle replacement, etc. The FY 2024-25 budget includes a \$3.05 fee increase to support the increased contractual cost of recycling.

In FY 2024-25, total revenue for the Waste Management Fund is estimated to be \$51,441,759, an increase of 18.9% over the FY 2023-24 Adopted Budget.

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**City of Virginia Beach, Virginia
Requested But Not Funded**

| Title | Description | Amount | FTE |
|--|---|----------------|-------------|
| CAD-Admin And Support Above Current | | | |
| Real Estate Increase in Workload | Request for a new administrative position to assist with real estate transactions. | 54,540 | 1.00 |
| Collective Bargaining | 2 attorney positions to provide assistance if collective bargaining is approved | 197,603 | 2.00 |
| | Total CAD-Admin And Support | 252,143 | 3.00 |
| CCS-Court And Court Support Services Current | | | |
| Postage | Increase postage due to increase in cost going from 27,000 Questionnaires to 30,000 yearly due to more jury trials. | 3,225 | - |
| Records Management | Increase budget to allow for more Questionnaire envelopes / paper due to more jury trials. | 2,445 | - |
| | Total CCS-Court And Court Support Services | 5,670 | - |
| CIT-Information Systems Above Current | | | |
| Library Federated Tech Team | Request for three (3) Systems Analyst I positions in support of Libraries' Federated Model to provide ongoing technical support within the department. | 276,822 | 3.00 |
| | Total CIT-Information Systems | 276,822 | 3.00 |
| COR-Admin And Support Above Current | | | |
| System Analyst II | Request funds for the salary of a permanent, FT System Analyst II to support the RBS system currently supported by a contract employee. | 105,695 | 1.00 |
| | Total COR-Admin And Support | 105,695 | 1.00 |
| CUL-Admin And Support Above Current | | | |
| Expansion of Arts Staff & City-wide Arts Placemaking Initiatives | To accomplish five initiatives in City Council's Focused Action Plan, the Cultural Affairs Department requests one FTE and expansion of city-wide arts placemaking initiatives. This includes geographically distributed, inclusive arts offerings in all 10 districts, and creation of Community Event Mini-Grants to support an arts in neighborhoods effort. | 172,415 | 1.00 |
| Shakespeare Festival | The Cultural Affairs Department would partner with a local nonprofit to produce an authentic summer stock professional Shakespeare Festival, featuring eight performances over two weeks, employing 40 artists and technicians, and recouping costs through ticket sales and ancillary revenue. | 50,000 | - |
| | Total CUL-Admin And Support | 222,415 | 1.00 |
| CUL-Board And Commissions Above Current | | | |
| Increased Funding for Arts & Humanities Commission | In FY24, the Arts and Humanities Commission awarded \$550,228 in project grants to 24 cultural nonprofit organizations, but there were requests from 25 organizations for a total of \$979,295. This gap has been consistent for at least the past three years. | 300,000 | - |
| Virginia MOCA Exhibitions / Education & Boardwalk Art Show | Virginia MOCA requests a total of \$575,000 from the General Fund to support Exhibitions and Education programs (\$350,000) and the Boardwalk Art Show (\$225,000.) This request is a 140% increase vs. the previous year and is concentrated in an increase in exhibition funding specifically. | 575,000 | - |
| | Total CUL-Board And Commissions | 875,000 | - |

| Title | Description | Amount | FTE |
|---|--|------------------|--------------|
| CUL-Historic Houses Above Current | | | |
| Contracted Manpower - Francis Land House | Restoration of the Francis Land House is nearing completion and part-time contractual staff are needed to staff the museum when it opens to the public. | 22,169 | - |
| Feasibility Study for Indigenous Historical Path at Thoroughgood | In fulfilment of a key recommendation from the 2023 Interpretive Plan for Virginia Beach Historic Houses, a feasibility study for an Indigenous Historical Path would be conducted with a goal of providing realistic cost estimates, path and signage options, location prospects for waterway overlooks and recreations of Indigenous structures, and identification of potential funding options so grants could be pursued. | 60,000 | - |
| FTE for Facilities Rentals & Database Administration | The Cultural Affairs Department seeks to create an Administrative Specialist I position to focus on revenue generation through facilities rentals and assist with administration of the ticketing system and customer relationship management platform. | 63,764 | 1.00 |
| Revolutionary War Reenactment/Encampment | In support of VA250 Commission and the Virginia Beach VB250 Committee, the Virginia Beach History Museums (VBHM) is planning a small Revolutionary War reenactment/encampment event to commemorate the 250th anniversary of Virginia's participation in American independence. Funding would support hiring re-enactors, interpreters and performers, as well as provide educational supplies, costumes, firewood and gunpowder. | 10,000 | - |
| Surf & Rescue Museum General Operations Support | The Surf & Rescue Museum requests a total allocation of \$85,000, which is an increase of \$15,000 over last year. The funds would support staffing for operations and volunteer coordination and exhibition development. | 15,000 | - |
| | Total CUL-Historic Houses | 170,933 | 1.00 |
| CWA-Admin And Support Above Current | | | |
| Part-Time Legal Assistant | Request for a new part-time Legal Assistant who will assist with auditing case files. | 35,600 | 0.73 |
| Axon Licensing for Evidence.com - VBSO | Funding for Axon software licensing to access body-worn camera footage from VBSO. | 18,509 | - |
| Paralegal Position | An Operation Ceasefire grant was recently provided to support an attorney and a clerk to prosecute misdemeanor concealed weapons cases. A paralegal is requested to assist with docketing, updating the case management system, and drafting legal correspondence. | 70,665 | 1.00 |
| | Total CWA-Admin And Support | 124,774 | 1.73 |
| ECC-Emergency Communications Current | | | |
| Public Safety Emergency Telecommunicator Positions | The elimination of multiple Public Safety Emergency Telecommunicator Positions that have been long term vacancies. | 781,061 | 12.00 |
| Public Safety Emergency Call Taker Positions | The elimination of multiple Public Safety Emergency Call Taker Positions that have been long term vacancies. | 325,441 | 5.00 |
| | Total ECC-Emergency Communications | 1,106,502 | 17.00 |
| ECO-Admin And Support Above Current | | | |
| Facade Improvement Grant Increase | Expand the opportunity of the Facade Improvement Grant administered by the Virginia Beach Development Authority. | 120,000 | - |
| | Total ECO-Admin And Support | 120,000 | - |
| EMS-Admin And Support Above Current | | | |

| Title | Description | Amount | FTE |
|--|--|-------------------|---------------|
| EMS/ECCS 911 Liaison Program | To embed EMS Captains in the Emergency Communications Center to assist with proper triage and routing of EMS calls in order to better distribute the 911 call workload. This program will also triage lower acuity calls that may be transferred to non-emergency transport company partners. | 459,228 | 4.00 |
| Additional Handley Licenses | To obtain approximately 600 additional Handtevy App licenses. This will ensure that providers across the Emergency Response System have access to critical pediatric patient care guidance and medication dosages. | 14,000 | - |
| | Total EMS-Admin And Support | <u>473,228</u> | <u>4.00</u> |
| EMS-Operational Management Above Current | | | |
| Biomedical Equipment Maintenance/Service | To obtain a comprehensive service contract to ensure that all stretchers, power loads, stairchairs, and cardiac monitors are properly serviced and maintained across the volunteer rescue squads and the Department of EMS. This ensures proper patient care, patient safety, and provider safety. | 192,035 | - |
| Logistics Inventory Management System | To obtain a logistics inventory management system to ensure proper tracking of critical EMS supplies and equipment across the system. This would allow for improved fiscal tracking of usage and purchases. | 60,000 | - |
| EMS Recruitment and Retention Program | To develop a sustainable recruitment and retention program, utilizing a team of member ambassadors to create a sustainable workforce . Through civic engagement, education, incentives, and proactive strategies the EMS Department will increase the volunteer membership and retain both volunteer and career sworn members thus ensuring high quality EMS services are delivered in a timely manner to the community. | 198,600 | - |
| Increase Full-Time Staffing | The department wishes to increase full-time staffing in order to maintain adequate ambulance and ALS coverage, especially during peak hours. | 1,347,573 | 16.00 |
| EMS Health & Wellness Coordinator and Program Funding | To establish a Health and Wellness program with a dedicated coordinator to develop a team for EMS workforce health and wellness education and programs to support the mental and physical health of the EMS Department's combined (volunteer & career) workforce. | 264,378 | 1.00 |
| | Total EMS-Operational Management | <u>2,062,586</u> | <u>18.00</u> |
| FIN-Admin And Support Current | | | |
| Restoration of Financial Consulting Services | Reduction of Finance's Financial Consulting Services budget. That budget currently funds a contract providing services for debt management practices and is collaborating with City staff to review our financial policies, cashflow, and debt management for the FPP and other CIP programs. | 29,284 | - |
| | Total FIN-Admin And Support | <u>29,284</u> | <u>-</u> |
| FIR-Fire Operations And Training Above Current | | | |
| Firefighter Health & Behavioral Wellness | Funding to expand firefighter health and wellness screening from Occupational Health/Safety to a private company. | 680,000 | - |
| Staffing to Enhance Services | Funding for 80 total admin, operations, and prevention positions needed to enhance services and meet the needs of the Virginia Beach community. | 7,701,011 | 80.00 |
| Staffing to Reduce OT | Original request of 60 FTEs to maintain existing services. 17 FTEs were added as part of proposed Operating Budget, reducing unfunded requests to 43. | 3,768,620 | 43.00 |
| | Total FIR-Fire Operations And Training | <u>12,149,631</u> | <u>123.00</u> |
| GDC- Court and Court Support Services Current | | | |
| Restoration of Professional Services: Legal | Reduction of Professional Legal Services budget. | 29,098 | - |
| | Total GDC-Court and Court Support Services | <u>29,098</u> | <u>-</u> |
| GGV-General Government Administration | | | |

| Title | Description | Amount | FTE |
|--|---|----------------|-------------|
| Increase BPOL Threshold | Increase BPOL threshold from \$200,000 to \$250,000, resulting in a reduction of estimated revenue. | 453,425 | - |
| Total GGV-General Government Administration | | 453,425 | - |
| <i>HNP-Admin And Support</i> | | | |
| <i>Above Current</i> | | | |
| City Funded Owner Occupied Rehabilitation Program | Additional funds to expand the City Funded Owner Occupied Rehabilitation Program from \$100,000 to \$200,000 annually. | 100,000 | - |
| Total HNP-Admin And Support | | 100,000 | - |
| <i>HNP-Housing Development</i> | | | |
| <i>Current</i> | | | |
| Homeless Services Building Maintenance Technician | This existing position assists with oversight operations at the Housing Resource Center, working as a liaison with the building maintenance contractor. This vacant position was eliminated as part of the proposed budget. | 68,400 | 1.00 |
| Total HNP-Housing Development | | 68,400 | 1.00 |
| <i>HRD-Employee Relations</i> | | | |
| <i>Above Current</i> | | | |
| Employee Relations HR Business Partner II | This HR Business Partner will be used for the centralization of employee relations functions and round out the absence management team. | 90,092 | 1.00 |
| Total HRD-Employee Relations | | 90,092 | 1.00 |
| <i>HRD-Occupational Safety And Health</i> | | | |
| <i>Above Current</i> | | | |
| Occupational Safety Administration Technician | Occupational Safety does not currently have administrative staff. This position would absorb all admin functions associated with the training, safety, inspections etc. | 62,645 | 1.00 |
| Occupational Health Account Clerk III | An additional Account Clerk III in Occupational Health to process FML paperwork. | 62,645 | 1.00 |
| Occupational Health Administrative Technician | The position would perform front office tasks which includes answering a very busy phone and many scheduled appointments. The position would also schedule/reschedule annual physicals, process daily EMS volunteer paperwork, respond to emails, archive all resigned city employees for storage. Compile all medical requests for city attorney/ employees/ auditor weekly. Create and prepare spreadsheets as needed for staff members for vaccines/labs/new hires. Sets up all TB Risk Assessments for Human Services & P&R, assist with new hire scheduling as needed. | 68,379 | 1.00 |
| Occupational Safety Training Specialist | This request is as a result of the Berkley report recommendations. This position would research, develop and implement various safety training programs (operating heavy equipment, commercial vehicles, and complex equipment). | 79,575 | 1.00 |
| Total HRD-Occupational Safety And Health | | 273,244 | 4.00 |
| <i>HRD-Staffing And Compensation</i> | | | |
| <i>Current</i> | | | |
| Staffing and Compensation Software Maintenance | The reduced funding will impact the funds used to cover Taleo, LinkedIn subscriptions including job slots and LinkedIn Recruiter as well as other software applications. | 14,000 | - |
| Staffing and Compensation Supply Expenditures | Ensures staff has sufficient tools and resources for daily job tasks. | 7,500 | - |
| Total HRD-Staffing And Compensation | | 21,500 | - |
| <i>Above Current</i> | | | |
| Compensation Analyst - HR Business Partner | The Compensation Analyst would be responsible for analysis and administration of the City's compensation programs to include pay plans, pay additives, bonus programs, reporting, predictive analysis, and equity evaluation. | 98,008 | 1.00 |
| Total HRD-Staffing And Compensation | | 98,008 | 1.00 |
| <i>HRD-Employee Services</i> | | | |
| <i>Above Current</i> | | | |
| Talent Development Partner II | Two additional trainers will provide better Trainer-to-employee ratio; and the ability to offer more training classes and programs. | 179,185 | 2.00 |
| Building 19 - AVI Upgrade | The cost covers the implementation/installation of the Webex experience into the current HR Training Room AV System. | 60,330 | - |
| Total HRD-Employee Services | | 239,515 | 2.00 |

| Title | Description | Amount | FTE |
|--|--|------------------|--------------|
| HRD-Board And Commissions | | | |
| Current | | | |
| Restore Human Rights Commission Funds | To meet target, we reduced expenditures in multiple object codes. We request to maintain these funds. | 6,525 | - |
| | Total HRD-Board And Commissions | <u>6,525</u> | <u>-</u> |
| HSD-Development Services | | | |
| Current | | | |
| Kentucky Avenue | Funding associated with the closure of Kentucky Ave ICF. The individuals living in this ICF have been relocated to other city facilities. | 1,154,516 | 10.51 |
| | Total HSD-Development Services | <u>1,154,516</u> | <u>10.51</u> |
| HSD-Benefit Program | | | |
| Current | | | |
| Benefits Contract Manpower | Increase Contract Manpower budget due to increased workload. | 200,000 | - |
| | Total HSD-Benefit Program | <u>200,000</u> | <u>-</u> |
| HSD-Juvenile Detention Center | | | |
| Current | | | |
| JDC Food Budget | Reduction in budget for Juvenile Detention Center. | 149,856 | - |
| | Total HSD-Juvenile Detention Center | <u>149,856</u> | <u>-</u> |
| JDR-Court and Court Support Services | | | |
| Current | | | |
| Travel Education | Funding to allow judges and clerks to travel for continued learning educational purposes. | 3,000 | - |
| Supplies | Increase funding for supplies. | 5,300 | - |
| | Total JDR-Court and Court Support Services | <u>8,300</u> | <u>-</u> |
| LIB-Records Management | | | |
| Above Current | | | |
| Full-Time Distribution Clerk | Request to convert Contract Manpower to Full-Time Distribution Clerk. | 46,134 | 1.00 |
| Full-Time Records Specialist | Request to convert Contracted Manpower to Full-Time Records Specialist. | 56,911 | 1.00 |
| New City Vehicle-Cargo Van | Request for a new cargo van for Records Management, to ensure sustainability of a legally mandated program. | 55,000 | - |
| | Total LIB-Records Management | <u>158,045</u> | <u>2.00</u> |
| LIB-Support Services | | | |
| Above Current | | | |
| Increase Funds in the Materials Budget | This request is to increase the materials budget by \$350,000. | 350,000 | - |
| | Total LIB-Support Services | <u>350,000</u> | <u>-</u> |
| LIB-Programming And Operations | | | |
| Current | | | |
| Restoration of Five Account Clerks (Business Center) | These positions provide administrative support for all Library staff. Amongst other things, this includes oversight of payroll and leave, purchasing and monitoring of account balances, monitoring of financial reporting, and maintaining compliance with record retention schedules. | 273,536 | 5.00 |
| | Total LIB-Programming And Operations | <u>273,536</u> | <u>5.00</u> |
| Above Current | | | |
| Librarian I - Meyera E Oberndorf Central Library | Addition of a full-time Librarian I position to the Central Library budget unit to support information Services. Information Services provides reference and research to citizens of the City of Virginia Beach, and City Departments and staff. | 79,416 | 1.00 |
| | Total LIB-Programming And Operations | <u>79,416</u> | <u>1.00</u> |
| LIB-Technical Services | | | |
| Above Current | | | |
| Additional Business Application Support Technician | Libraries has one Business Application Support Technician (BAST) on staff for the entire support and maintenance of hardware and software used at the Library Branches by citizens/patrons. Adding a BAST would allow the department to assign the two BASTs to the Northern and Southern regions of the department for a more focused and balanced support structure. | 62,014 | 1.00 |
| | Total LIB-Technical Services | <u>62,014</u> | <u>1.00</u> |

| Title | Description | Amount | FTE |
|---|--|------------------|-------------|
| NON-Community And Organization Contributions Above Current | | | |
| Court Appointed Special Advocates | Funding provided by the City will support the efforts of the Virginia Beach CASA program for the recruitment, selection, training, and supervision of CASA volunteers who will advocate for children that are before the court as victims of abuse or neglect. | 27,000 | - |
| Eastern Virginia Medical School | Additional funding is being requested due to increases in patient care services, research, and educational programs at EVMS. | 30,096 | - |
| Southern Tidewater Opportunity Project Inc | STOP seeks additional funding to provide comprehensive after school and summer programming to a minimum of 55 Youth who reside in the City of Virginia Beach. | 11,680 | - |
| United Service Organization | Funding provided supports working directly with active-duty military and their families providing Resiliency Programs; such as Warrior and Family Care, 9 Comfort Stations throughout the region, and Special Events to serve the largest concentration of military in the country to promote health, wellbeing, and resiliency. | 29,000 | - |
| Virginia Beach SPCA | Funding provided supports the efforts of the Virginia Beach SPCA to provide accessible and affordable veterinary care to pet owners in need in Virginia Beach. | 20,000 | - |
| Lynnhaven River Now | Additional funding is being requested to increase participation in education and outreach programs, assist residents, business owners, and faith communities in understanding and adapting to climate change, and to work with city and regional leaders to reduce solid waste. | 5,455 | - |
| Tidewater Arts Outreach | Funding would be used to partially cover costs of programming already delivered to the residents of Virginia Beach due to grant shortfalls from other funders. | 10,000 | - |
| Center for Global the Diplomacy | Funding would be used for the Coding for Kids program. | 75,000 | - |
| Boys and Girls Virginia Beach Club | Funding would be used for capital enhancements to the Virginia Beach Boys and Girls Club. | 250,000 | - |
| Oceana Volunteer Fire Department | Funding would be used to purchase a new truck for volunteer services. | 500,000 | - |
| Foodbank of Southeastern Virginia | Funds would be used to support programs previously supported by ARPA funds. | 1,000,000 | - |
| | Total NON-Community And Organization Contributions | 1,958,231 | - |
| MUN- Admin & Support | | | |
| Increase Legislative Aide Hours | Increase of Council aid hours from 20 to 40 per week. | 80,030 | - |
| | Total MUN Admin & Support | 80,030 | - |
| PAR-Landscape Management Above Current | | | |
| Natural Resources Management | Natural Resources Management Unit to focus on the management, collection, analysis, and interpretation of natural resources, communities, native plants and species found in Virginia Beach. | 428,757 | 4.00 |
| | Total PAR-Landscape Management | 428,757 | 4.00 |
| PAR-Programming And Operations Above Current | | | |
| Recreation Specialist I for Inclusion | Request for a Recreation Specialist I position for Inclusion Services. Federal Mandate to provide inclusion services. Request for Inclusion Services have increased. | 62,014 | 1.00 |
| Expand Parks After Dark, 2nd Location - Green Run | Request to expand Parks After Dark to a 2nd location in the Green Run area. | 353,072 | 3.10 |
| | Total PAR-Programming And Operations | 415,086 | 4.10 |
| PHD-Admin And Support Current | | | |
| Public Health Nurse | Eliminate vacant FT Public Health Nurse position funding. | 81,103 | 1.00 |
| | Total PHD-Admin And Support | 81,103 | 1.00 |

| Title | Description | Amount | FTE |
|---|--|------------------|-------------|
| PLN-Planning And Zoning Administration Above Current | | | |
| Funding for the Virginia Beach VA250 Commission | Funding for the Virginia Beach VA250 Commission. | 50,000 | - |
| | Total PLN-Planning And Zoning Administration | <u>50,000</u> | <u>-</u> |
| PLN-Zoning Above Current | | | |
| Zoning Inspector Supervisor | New 1 FTE Zoning Inspector Supervisor position for short term rentals. | 93,117 | 1.00 |
| Zoning Inspector I | New 1 FTE Zoning Inspector I position for short term rentals | 70,773 | 1.00 |
| | Total PLN-Zoning | <u>163,890</u> | <u>2.00</u> |
| PLN-Permits And Inspections Current | | | |
| ROW Coordinator | Elimination of vacant (never filled) Right of Way Coordinator. | 106,262 | 1.00 |
| | Total PLN-Permits And Inspections | <u>106,262</u> | <u>1.00</u> |
| POL-Investigations Above Current | | | |
| Additional Forensic Services Staff and Related Equipment | Request to add additional position to Forensics Services Unit Technician. | 72,423 | 1.00 |
| | Total POL-Investigations | <u>72,423</u> | <u>1.00</u> |
| POL-Uniform Patrol Above Current | | | |
| Civilian Pilot Position | Request for a civilian pilot in the Aviation Unit. | 115,264 | 1.00 |
| Additional Funding for Fuel | Request for additional funding of fuel to meet operational needs. | 800,000 | - |
| Additional funding for Overtime | Request for additional funding of overtime to meet operational needs. | 1,399,456 | - |
| | Total POL-Uniform Patrol | <u>2,314,720</u> | <u>1.00</u> |
| PWD-Admin And Support Above Current | | | |
| Administrative Technician | Request to convert contracted manpower into an Administrative Technician position to act as first point of contact for customer service, answer calls on parking tickets and permits and assist with the administration of parking permit programs. | 56,911 | 1.00 |
| Data & Technology Division Manager | Request for full time position to be a Data & Technology Division Manager. | 102,231 | 1.00 |
| | Total PWD-Admin And Support | <u>159,142</u> | <u>2.00</u> |
| PWD-Engineering Above Current | | | |
| Contracted Manpower | Requesting one (1) contract Project Management position to assist with the backlog of projects in the current program. Current contracted PM services cover the following projects: Centerville Turnpike Phase II & III, Landstown Road Pond Improvements, and Independence/Wakefield Signal Improvements. Transportation has a surge of projects that need to move to construction. The requested contract position is needed to cover vacant Project Manager positions and additional Project Manager duties, such as Traffic Safety Improvement projects that have been idle waiting for staff resources. | 150,000 | - |
| | Total PWD-Engineering | <u>150,000</u> | <u>-</u> |
| PWD-Facilities Management Current | | | |
| Increase in Carpentry, Plumbing and Paint Supplies | Increase in general maintenance supplies due to material costs and additions to building inventory. | 250,000 | - |
| Increase in HVAC Supplies | Increase in HVAC supplies due to material costs and additions to building inventory. | 30,000 | - |
| | Total PWD-Facilities Management | <u>280,000</u> | <u>-</u> |
| Above Current | | | |
| Custodial Workers | Replace positions reallocated to New City Hall when Buildings 1 and 2 were decommissioned for renovation. Increases to the facility inventory have resulted in a deficiency of eight custodial workers. | 184,534 | 4.00 |

| Title | Description | Amount | FTE |
|---|--|------------------|--------------|
| Safety Program Specialist for Facilities Workplace Safety and Environmental Management Program | Position to begin installation of a Facilities Workforce Safety and Environmental Management Program. Across the City's inventory of 1200+ buildings exist flammable and combustible material storage sites, emissions exhausting equipment, boilers, confined spaces and hazardous building materials without a comprehensive management and reporting program as required by VDEQ, OSHA and other state and federal agencies. | 84,358 | 1.00 |
| Business Application Specialist I | Request for 1 FTE, Business Application Specialist I to optimize buildings for energy efficiency. Building Maintenance spends, on average, \$1,200,000.00/month on utility costs for City-owned facilities. A recent initiative with an energy optimization contractor, Integrity Energy, has realized an average utility savings of 25% when optimization methods are applied to building control software and programming of HVAC, Lighting, and Electrical equipment. | 77,178 | 1.00 |
| Plumber | Request for 1 FTE, Plumber II, to offset labor associated with acquiring city-wide feature fountain maintenance and management. To centralize maintenance, management, and operation of feature fountains across the City, including the Corporate Landing, Veteran's Memorial, Laskin Road, 5/31 Memorial, and both Town Center Plaza fountains, Public Works has assigned responsibility for these assets to Building Maintenance. | 64,758 | 1.00 |
| Electrician II | Electrician II, to offset positions reallocated to the PW/Director's office and contribute to creating a low voltage/Fire/Access Control/Elevator Control shop. In recent years, the Building Maintenance Electrical Shop has endured significant challenges in employee retention and attracting qualified candidates. To mitigate risks associated with multi-year vacancies in Public Works, (4) positions within the Electrical Shop were reassigned and reclassified to serve staffing needs in both Facilities and the Public Works Director's Office. Building Maintenance is requesting that (2) of these positions be replaced to support maintenance, management, and operation of the city-wide Lenel security access control infrastructure associated with acquiring the Facilities Management Division by Building Maintenance. | 64,758 | 1.00 |
| Reorganization of the City Architect's Office | The Strategic Planning and Space Management Division (SPSM), a division of the Department of Public Works, serves as a professional resource regarding space assets for the city; provides effective stewardship of the space inventory database; manages space requests; facilitates an annual space survey and conducts space audits; supports department moves; and provides accurate and timely space inventory and utilization reports to inform decision-makers about short- and long-term space needs. SPSM is charged with the stewardship of all COVB facility spaces; reviews, maintains and analyzes spaces to assist COVB leadership on how best to utilize space resources in an efficient yet flexible manner to support the COVB Mission; provides data and analyses as requested; and assists SMC in making transparent recommendations on space that align with the COVB Master Plan. | 333,465 | 2.00 |
| Construction Inspector Positions | Due to changes and the creation of the Vertical Inspections Bureau, which added 3 employees, PWD is requesting an increase in the Operating Budget. Request for two (2) positions to the division to include one Construction Inspector III and one Construction Inspector II. The current workload exceeds the capacity of the staff in the FD&C Division, particularly in Vertical Construction Inspectors. At current staffing levels, approximately 40% of the Division's program remains uninspected, and the remaining are partially inspected, leaving the City technically (i.e. quality), legally, and financially exposed. | 449,996 | 2.00 |
| Total PWD-Facilities Management | | 1,259,047 | 12.00 |
| PWD-Infrastructure Maintenance Above Current | | | |
| Beach Operations | The budget proposal requests three additional Motor Equipment Operator-II, one mini skid steer (dingo), one regular size skid-steer, one 4x4 beach truck, one 4x4 heavy duty crew cab pickup and a trailer to transport equipment. | 745,619 | 3.00 |

| Title | Description | Amount | FTE |
|--|--|----------------------|---------------|
| Dredge Operations Motor Equipment Operator II | One position for the weekend shift to bring the staffing level in alignment with the day and night shifts, which consist of six operators and one Maintenance Supervisor. Six positions and Six Trucks for Special Events Team to support Traffic | 54,540 | 1.00 |
| Special Events Team (TIP) | Management Operations as a Special Event Advisory/Liaison Team to provide safety for the public as motorists, pedestrians, bicyclists, and workers. | 1,630,308 | 6.00 |
| | Total PWD-Infrastructure Maintenance | <u>2,430,467</u> | <u>10.00</u> |
| PWD - Stormwater Operations | | | |
| Current | | | |
| Engineering/Stormwater - Flood Protection Program - Contracted Manpower/ Staff Augmentation | Project Management services to support the Flood Protection Program. Estimated cost is for Two (2 senior level Project Managers to Lead/manage active FPP projects. - FAP Initiative 2.15 | 450,000 | - |
| Surface Water Regulatory Compliance - Contracted Manpower/Staff Augmentation | Contracted Manpower Request; These services were previously funded out of the CIP. Project compliance design reviews for Stormwater (estimated); Staff Support is needed to perform this service. - FAP Initiative 2.15 | 300,000 | - |
| | Total PWD - Stormwater Operations | <u>750,000</u> | <u>-</u> |
| Above Current | | | |
| SWEC Cloud Hosting Services for Visualization Tool | Cloud Hosting Services for the Stormwater Flood Visualization Tool. | 80,000 | - |
| | Total PWD - Stormwater Operations | <u>80,000</u> | <u>-</u> |
| VOT-Admin And Support | | | |
| Above Current | | | |
| New Positions | With the changes in the laws, additional staff is requested to make sure to comply with all Federal, State, and Local election laws. | 182,361 | 3.00 |
| | Total VOT-Admin And Support | <u>182,361</u> | <u>3.00</u> |
| | Total Requested But Not Funded | <u>32,751,692.00</u> | <u>242.34</u> |

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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.

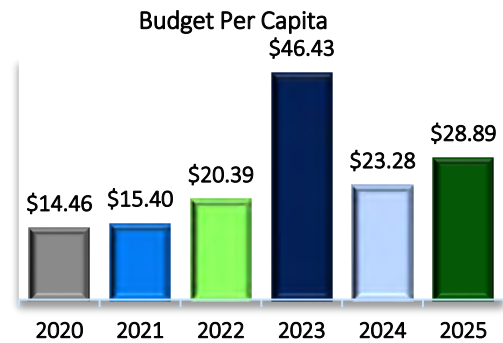
Department Overview

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 the ARP 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. In the fall of 2020, the City Council amended the ARP ordinance to enable the ARP to acquire agricultural zoned land that was previously ineligible for participation in the ARP due to the property's road frontage's location in a floodplain, provided that the rest of the property sits outside the floodplain and is developable. This action will increase the land available in the City that may ultimately be included in the ARP.



The increase in FY 2021-22 and FY 2022-23 and decrease in FY 2023-24 are related to the pass-through payment of principal to landowners from the original ARP acquisitions, this amount will fluctuate annually.

Virginia Beach Farmers Market

The Farmers Market leases space to vendors to sell agricultural and complimentary products and provides agricultural-based education programs (K-5th grade) with over 3,477 children participating annually. The market staff provides programming that is agriculturally based, educational, and within a safe family-friendly environment. The Farmers Market business model is structured to provide eight special themed events annually, seasonal events with weekly Friday Night Hoedowns starting in April. Community interest in the Farmers Market remains strong and the Market is a source for entrepreneurial business opportunities in the southern part of the City.

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 table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|-------------|--------------|
| Total market space leased at Farmers Market | 100% | 100% | 100% | 94% | 100% |
| Total acres in the Agricultural Reserve Program | 10,366 | 10,416 | 10,662 | 10,818 | 11,118 |
| Total annual visitors to the Agriculture Educational Heritage Center | 0 | 500 | 2,150 | 2,300 | 2,450 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73% | 38% | 40.6% |
| Overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |
| How well the City is managing growth | 31.6% | 34.6% | 39.7% |

Trends and Issues

→ Agriculture Reserve Program (ARP)

The Agriculture Reserve Program is designed to maintain agriculture as a viable industry in Virginia Beach by preserving the resource base for farming. Agriculture is Virginia’s largest private industry. The City finances the ARP costs through the purchase of United States Separate Trading of Registered Interest and Principal of Securities (STRIPS). The U.S. Treasury STRIPS purchases allow the City to minimize upfront costs of developmental rights acquisitions and helps the City leverage its funding over time. The interest that accrues on the initial STRIPS purchase will equal the principal payment that will be needed to compensate the landowner at the end of the 25-year payment plan. In exchange for the landowner waiting for their principal payment, the City pays the interest payments on the easement value as an operational expense during the payment plan. Over time, the interest rate and STRIPS values have fluctuated based on the market. Higher interest rates equate to lower buy-in rate to fund the 25-year STRIPS that is purchased to fund the easement value. In comparison, a lower interest rate equates to a higher buy-in amount to mature for the easement value. In mid-January 2024, the interest rate was set to equal the yield on U.S. Treasury STRIPS, when purchased prior to execution of the agreement, but not less than 3.953%.

The current acreage in ARP as of February 15, 2024, is 10,661.99 with 918 development rights purchased. The established goal of the program is to enroll 300 acres per year to increase the number of acres in the ARP to 20,000 acres. The voluntary program continues to support growth and sustainability of the agriculture industry while limiting development in the Southern part of the City. The ARP also helps to protect the environment and greenspace, along with natural habitats. By preserving land from development, the ARP also assists in addressing issues related to reoccurring flooding.

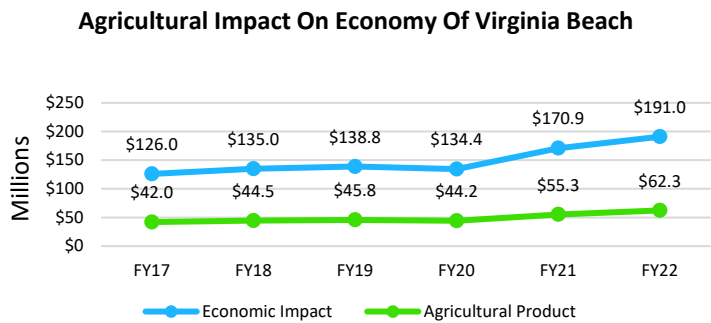
→ **Farmers Market Activities**

The Farmers Market is 94% occupied as of February 2024. Fourteen leaseholders are currently located at the Farmers Market. The Department continues to explore opportunities for new programs. The Farmers Market hosts eight special themed events with over 100 crafters and sponsors attending each event. Friday Night Hoedowns are held every week from April through October with a loyal following of citizens of all ages. An “Agriculture in the Classroom” teacher workshop is sponsored in the summer for local teachers, and educational instruction on agriculture and its history is given to students in preschool through 5th grade with the Fun on the Farm tour. The Farmers Market also coordinates with the local 4-H program to host the Country Cured Ham Project, which is the largest ham project in Virginia. Rain barrel workshops are held at Farmers Market starting in March.

The Farmers Market generates approximately \$325,000 of annual revenue based on events, educational programs, rent, and community business sponsorships which offsets the operational expenses. The Farmers Market has a total estimated attendance of over 500,000 visitors per year. The Farmers Market is situated at a major traffic intersection with limited development opportunities, providing the Market with a location suited for continued viability as an economically feasible City asset with long-term growth.

→ **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 in the graph, an estimated agricultural product value of \$62 million drove an estimated impact of \$191 million for the Virginia Beach economy in 2022.



Source: Virginia Cooperative Extension

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. In 2000, the Virginia General Assembly established the Virginia Agricultural Vitality Program in the state Department of Agriculture and Consumer Services (VDACS). One year later, it reestablished the program as the Office of Farmland Preservation (OFP). Virginia provides state matching funding to cities and counties with their own purchase of development rights (PDR) programs. To date this program has provided over \$1.99 million in program reimbursement funding for the City’s highly recognized Agriculture Reserve Program. The agriculture industry remains stable based on controlled land development; the Agricultural Reserve Program; the presence of the Virginia Port Authority (which allows for easy export opportunities for grains such as soybeans, wheat, and corn); and the surrounding agricultural industries of pork and poultry in Southeast and Southside Virginia, which are reliant on grains for livestock feed. Interest in farming and generational farm operations are strong. The agricultural land and its use for this purpose also relieves the City of having to provide new or expanded infrastructure, services (such as transportation and schools), and utilities (such as water and sewer) to the Southern part of the City.

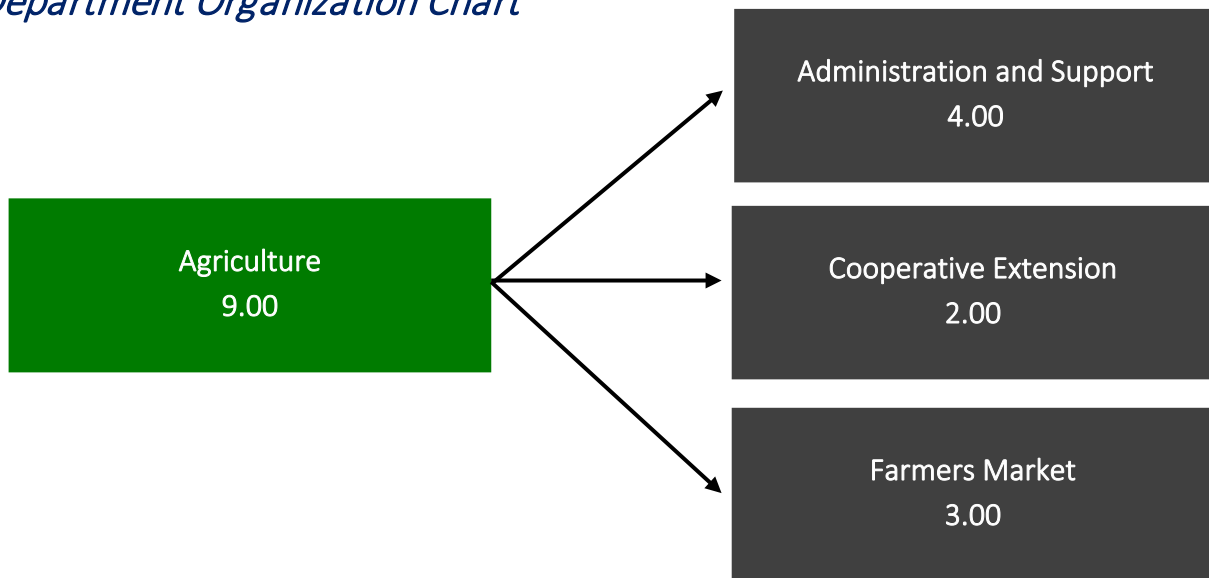
→ **Use of Volunteers**

The Department of Agriculture maximizes its impact in the City through the use of hundreds of volunteers. These volunteers assist with 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 marketplaces, protection from scams and identity theft, and resources to encourage healthier food consumption. Programs like 4-H, Master Gardeners, AG Education (Rural Heritage Center at Farmers Market), Nutrition Programs, and others, remain volunteer-based with strong community support. These community-based programs are a huge benefit to residents with little cost to the City. In FY 2022-23, the department had 762 volunteers with 55,003 hours that were valued at \$749,102. Agriculture is routinely one of the top five departments in the City for the use of volunteers.

Major Budget Changes

| | Change | Impact |
|---|--|---|
| ↑ | Transfer to Parks and Recreation CIP Section \$500,000 (ARP Fund) | \$500,000 was transferred from the Agricultural Reserve Program to the Parks and Recreation CIP section as pay-as-you-go funding in order to reduce the burden on the General Fund. Prior to FY2024-25, only \$990,000 was transferred from this fund to the CIP. Following City Council’s direction to reduce the real estate tax rate by 2¢, additional consideration was given to the City’s special revenue funds/dedications to offset the reduced revenue in the General Fund. Despite this adjustment, adequate funds remain within the ARP fund to purchase 300 acres in FY2024-25. In addition, the fund balance of the fund is currently \$19.5 million, indicating a sustainable program is in place to support the intent of the ARP. |

Department Organization Chart



**City Of Virginia Beach, Virginia
Agriculture - Departmental Resource Summary**

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|---|--------------------|------------------|------------------|------------------|
| | Actual | Amended | Proposed | from FY 2024 |
| <u>FD100: General Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| General Operating Expenses | 907,984 | 1,030,686 | 1,103,606 | 72,920 |
| Total Expenditures | 907,984 | 1,030,686 | 1,103,606 | 72,920 |
| <u>Revenue</u> | | | | |
| Charges for Services | 26,496 | 50,090 | 50,090 | - |
| Fines and Forfeitures | 23,876 | 23,240 | 25,249 | 2,009 |
| Miscellaneous Revenue | 45,420 | 42,000 | 53,970 | 11,970 |
| From the Use of Money and Property | 196,603 | 182,500 | 193,218 | 10,718 |
| Total Revenues | 292,395 | 297,830 | 322,527 | 24,697 |
| General City Support | 615,589 | 732,856 | 781,079 | 48,223 |
| <u>FD190: General Debt Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| General Operating Expenses | 6,949,719 | 1,478,174 | 2,442,859 | 964,685 |
| Total Expenditures | 6,949,719 | 1,478,174 | 2,442,859 | 964,685 |
| <u>Revenue</u> | | | | |
| Specific Fund Reserves | - | 1,478,174 | 2,442,859 | 964,685 |
| Transfer In | 973,471 | - | - | - |
| Total Revenues | 973,471 | 1,478,174 | 2,442,859 | 964,685 |
| General City Support | 5,976,248 | - | - | - |
| <u>FD221: Agriculture Reserve Program Special Revenue Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Parks and Recreation General Government Capital Project (GGCP) | - | - | 500,000 | 500,000 |
| Stormwater General Government Capital Project (GGCP) | 990,000 | 990,000 | 990,000 | - |
| General Operating Expenses | 10,198,721 | 7,164,686 | 8,068,973 | 904,287 |
| Total Expenditures | 11,188,721 | 8,154,686 | 9,558,973 | 1,404,287 |
| <u>Revenue</u> | | | | |
| From the Use of Money and Property | 225,044 | 30,954 | 30,954 | - |
| Transfer In | 6,949,719 | 1,478,174 | 2,442,859 | 964,685 |
| Total Revenues | 7,174,763 | 1,509,128 | 2,473,813 | 964,685 |
| General City Support | (4,013,958) | 6,645,558 | 7,085,160 | 439,602 |

**City Of Virginia Beach, Virginia
Agriculture - Departmental Resource Summary**

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|-------------------------|---------------|----------------|-----------------|---------------------|
| <u>Position Summary</u> | <u>Actual</u> | <u>Amended</u> | <u>Proposed</u> | <u>from FY 2024</u> |
| General Operations | 7.52 | 7.52 | 7.52 | 0.00 |
| Positions | 7.52 | 7.52 | 7.52 | 0.00 |

FD221: Agriculture Reserve Program Special Revenue Fund

| <u>Position Summary</u> | | | | |
|---|-------------|-------------|-------------|-------------|
| General Operations | 1.48 | 1.48 | 1.48 | 0.00 |
| Agriculture Reserve Program Special Revenue Fund Positions | 1.48 | 1.48 | 1.48 | 0.00 |
| Total Positions | 9.00 | 9.00 | 9.00 | 0.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

VIRGINIA AQUARIUM

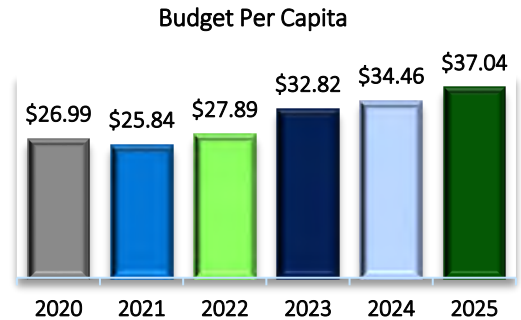


The mission of the Department of the Virginia Aquarium is to connect people to the marine environment, inspiring a more sustainable future. The Aquarium will be a driver in conservation, education, tourism, and sustainability, leading the charge to save wildlife and their ecosystem.

Tippy

Department Overview

The Aquarium is a public-private partnership between the City of Virginia Beach and the Virginia Aquarium and Marine Science Center Foundation, a 501(c)(3) nonprofit. The City owns and maintains the Aquarium’s buildings and provides administrative support, while the Foundation procures the Aquarium’s 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, coastal boat trips, a zip line and aerial adventure park, as well as a rotating collection of other exhibits.



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|---------|-------------|--------------|
| Total visitors to Aquarium | 617,900 | 429,145 | 610,311 | 592,578 | 566,590 | 582,500 |
| Total membership | 7,450 | 6,712 | 8,088 | 7,961 | 7,550 | 7,475 |
| Aquarium revenue generated per visitor (total) | \$18.02 | \$19.58 | \$19.23 | \$18.50 | \$18.04 | \$18.30 |
| Admissions | \$10.52 | \$14.79 | \$15.06 | \$14.33 | \$14.35 | \$14.45 |
| Store | \$2.50 | \$4.79 | \$4.17 | \$4.17 | \$3.69 | \$3.85 |
| Total earned revenue by the Aquarium in millions | \$9.3 | \$9.3 | \$12.9 | \$12.6 | \$11.7 | \$12.2 |


In 2022, the City contracted with the ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of services provided by the City | 75.3% | 53.6% | 21.7% |
| Overall quality of customer service received from City employees | 73% | 38% | 40.6% |

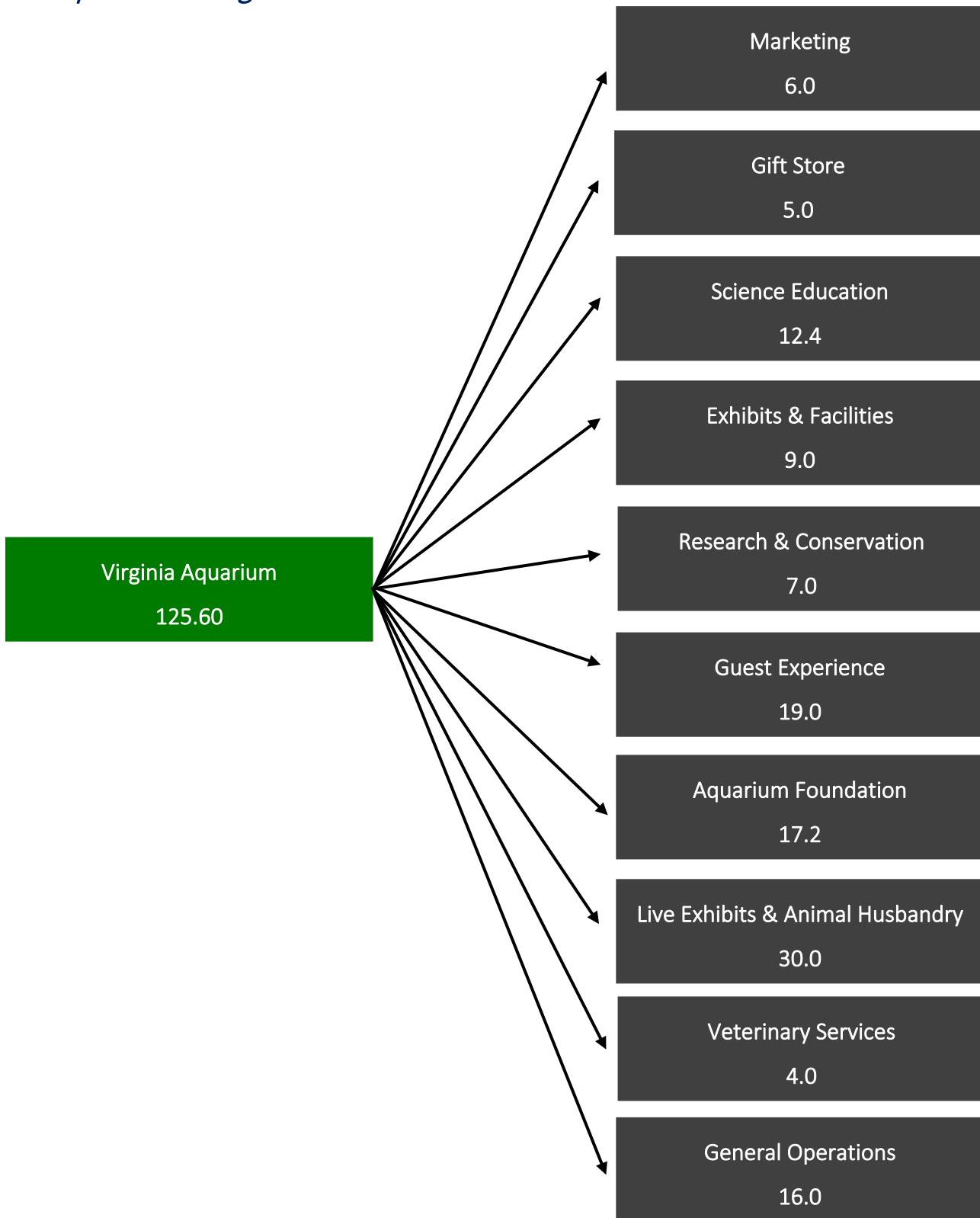
Trends & Issues

- According to Sage Policy Group, the Virginia Aquarium & Marine Science Center supported more than 3,000 jobs, nearly \$85 million in labor income, and \$257 million in economic impact for Virginia Beach in fiscal year 2021-22.
- The Virginia Aquarium has evolved beyond showcasing marine life into a hub for research and conservation. The Virginia Aquarium plays a role in advancing conservation programs across the globe and is at the forefront of marine conservation research for initiatives such as coral restoration, species survival programs, and the nationally recognized Stranding Response program that carries out the work of responding to, evaluating, and when needed rehabilitating stranded marine mammals and sea turtles. The Virginia Aquarium responded to 92 marine mammal strandings and 333 sea turtle strandings in fiscal year 2022-23.
- The Virginia Aquarium serves as an educational resource for the community.
 - Marine Science Education: The Virginia Aquarium serves as a dynamic learning environment where visitors, especially students, can immerse themselves in marine science education. Through the interactive exhibits, educational programs, and guided tours, the Virginia Aquarium continues to provide hand-on experiences that deepen the understanding of the marine ecosystems, biodiversity, and conservation.
 - School and Group Programs: The Virginia Aquarium collaborates with schools to offer educational programs that align with curriculum standards. These programs provide students with the opportunity to connect classroom learning to real-world experiences, reinforcing concepts in biology, ecology, and environmental science.
 - Educational Outreach: The Virginia Aquarium extends its educational impact beyond its physical location through outreach initiatives. Educational programs, workshops, and presentations are conducted in schools and community centers, broadening access to marine science education for a diverse audience.
 - Conservation Education: In addition to showcasing marine life, the Virginia Aquarium places a strong emphasis on conservation education. Visitors learn about the challenges facing ocean ecosystems, the importance of biodiversity, and practical steps they can take to contribute to marine conservation efforts.
 - Professional Development for Educators: Recognizing the pivotal role educators play, the Virginia Aquarium offers professional development opportunities. These initiatives equip teachers with the knowledge and resources to integrate marine science into their classrooms, creating a ripple effect of environmental education.
- Audience engagement is critical for an attraction’s success. This means that the Virginia Aquarium must maintain efforts to encourage revisitation from members and current guests, while also implementing strategies to encourage others with similar interest to attend. Action items include increasing DEAI initiatives, digital marketing efforts, and safety enhancements, which resonate well with these inactive visitors.

Major Budget Changes

| | Change | Impact |
|---|-----------------------------------|---|
|  | Daytime Security Shift \$0 | Daytime shifts for contracted security guards at the Aquarium facilities were added this fiscal year. |

Department Organization Chart



City Of Virginia Beach, Virginia
Virginia Aquarium - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| <u>FD100: General Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Marketing | 1,231,247 | 1,629,787 | 1,612,137 | (17,650) |
| Training, Learning, and Development | 161,450 | - | - | - |
| Gift Store | 1,511,568 | 1,638,938 | 1,690,486 | 51,548 |
| Science Education | 516,437 | 837,254 | 1,964,478 | 1,127,224 |
| IMAX Theater | 17,728 | - | - | - |
| Exhibits and Facilities | 1,408,471 | 1,993,261 | 1,371,565 | (621,696) |
| Research and Conservation | 519,415 | 772,630 | 919,288 | 146,658 |
| Guest Experience | 1,270,543 | 2,390,754 | 2,404,611 | 13,857 |
| Aquarium Foundation | 866,432 | 1,169,700 | 1,184,004 | 14,304 |
| Live Exhibits and Animal Husbandry | 2,299,233 | 2,486,566 | 2,511,465 | 24,899 |
| Veterinary Services | 466,349 | 557,785 | 565,503 | 7,718 |
| General Operating Expenses | 2,795,953 | 2,993,863 | 2,618,634 | (375,229) |
| Total Expenditures | 13,064,825 | 16,470,538 | 16,842,171 | 371,633 |
| <u>Revenue</u> | | | | |
| Charges for Services | 12,162,833 | 11,704,825 | 12,212,438 | 507,613 |
| Permits, Fees, and Regulatory Licenses | 52,605 | 50,000 | 50,000 | - |
| Miscellaneous Revenue | 865,529 | 1,113,969 | 1,178,088 | 64,119 |
| From the Use of Money and Property | 25,680 | 15,000 | 30,000 | 15,000 |
| Specific Fund Reserves | - | 310,776 | - | (310,776) |
| Total Revenues | 13,106,647 | 13,194,570 | 13,470,526 | 275,956 |
| General City Support | -41,822 | 3,275,968 | 3,371,645 | 95,677 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|------------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| <u>FD100: General Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Marketing | 6.00 | 6.00 | 6.00 | - |
| Gift Store | 5.00 | 5.00 | 5.00 | - |
| Science Education | 9.00 | 9.00 | 12.40 | 3.40 |
| Exhibits and Facilities | 14.50 | 12.40 | 9.00 | (3.40) |
| Research and Conservation | 7.50 | 7.00 | 7.00 | - |
| Guest Experience | 17.50 | 19.00 | 19.00 | - |
| Aquarium Foundation | 17.35 | 17.20 | 17.20 | - |
| Live Exhibits and Animal Husbandry | 30.00 | 30.00 | 30.00 | - |
| Veterinary Services | 4.00 | 4.00 | 4.00 | - |
| General Operations | 18.00 | 16.00 | 16.00 | - |
| Total Positions | 128.85 | 125.60 | 125.60 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

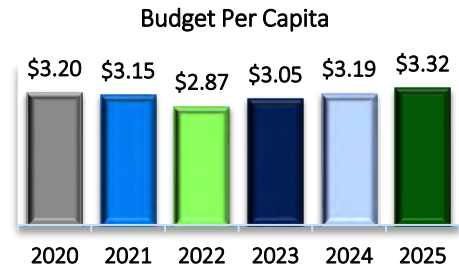
BUDGET AND MANAGEMENT SERVICES



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, and the Executive Summary. Staff also conducts ongoing reviews of public-private partnerships to address the fiscal, budgetary, and economic impacts of proposals.



Key Performance Measures

The table below illustrates how the Department has been performing on their performance metrics:

| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 (Estimated) | FY 2025 (Projected) |
|--|---------|---------|---------|---------|------------------------|------------------------|
| Total Fiscal Impacts completed | 1 | 2 | 2 | 2 | 2 | 5 |
| Number of Community Organization Grants | 14 | 14 | 13 | 13 | 20 | 14 |
| Ordinance & agenda requests completed in prescribed time | 100% | 100% | 100% | 100% | 100% | 100% |
| Total adjustments made to CIP and budget | 372 | 367 | 550 | 550 | 600 | 455 |
| Number of Regional Grants | 26 | 28 | 31 | 38 | 46 | 31 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Overall value received for City tax dollars and fees | 52.8% | 33.8% | 33.8% |

Trends & Issues

→ Major Initiatives

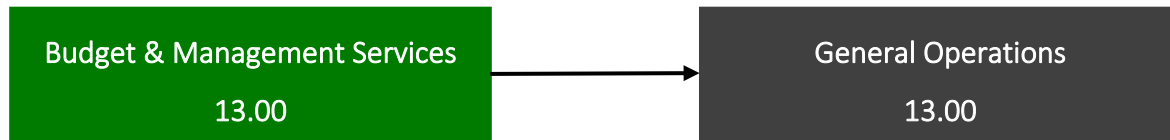
The Department of Budget and Management Services is actively involved in the implementation of various city initiatives including fiscal impact analysis on potential economic development opportunities, the Flood Protection Bond Referendum implementation, the coordination of the American Rescue Plan Act, and potential collective bargaining. Other major projects include analysis of the city’s special service districts, updating the City and School Revenue Sharing Policy, and assisting with rate analysis for various City funds.

→ Community and Regional Grants

Budget and Management Services provides staff support for the Community Organization Grant (COG) Program, a Council-appointed committee. COG provides an opportunity for non-profit agencies to allocate 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.

In addition to COG, Budget and Management Services oversees the Regional Grant Program, an umbrella term for funds provided by City Council to non-profit organizations, regional colleges, and governmental agencies that support City Council goals and complement City services. Over the past fiscal year, additional application and reporting requirements have been placed on regional grant recipients to bring them closer in line to the COG process. FY 2023-24 will be the first year where organizations had to provide year end reporting on the impact of their grant from the city, and this information will be used to make future funding decisions as a part of the next budget process (FY 2025-26).

Department Organization Chart



City Of Virginia Beach, Virginia
Budget and Management Services - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 1,227,076 | 1,444,106 | 1,585,196 | 141,090 |
| Total Expenditures | 1,227,076 | 1,444,106 | 1,585,196 | 141,090 |
| Revenue | | | | |
| Charges for Services | - | - | - | - |
| Total Revenues | - | - | - | - |
| General City Support | 1,227,076 | 1,444,106 | 1,585,196 | 141,090 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 13.00 | 13.00 | 13.00 | - |
| Total Positions | 13.00 | 13.00 | 13.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

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, public 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 the Conflict of Interests Act, Freedom of Information Act (FOIA), the American with Disabilities Act (ADA) and the First Amendment.

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, street closures, drafting deeds and leases, bringing real estate ordinances to City Council, managing complex economic development transactions, handling the sale of excess property and easements, litigating eminent domain cases, and undertaking land acquisition associated with road projects, the Flood Protection Program, the Agricultural Reserve Program, and any other CIP projects requiring property or easements. The Section also has responsibility for legal services related to federal and military real estate matters, such as the City's Accident Potential Zone 1 (APZ-1) and Interfacility Traffic Area (ITA) acquisition programs to reduce encroachment around Naval Air Station Oceana and Future Base Design, and the Army Corps projects involving sand replenishment and restoration of the Lynnhaven River.

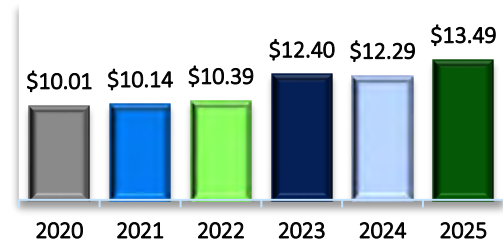
Land Use

Performs legal tasks involved in the development, implementation, administration, and enforcement of the City's zoning and land use ordinances and regulations. They assist with all legal aspects of numerous city programs and initiatives including compliance with the Air Installation Compatible Use Zone (AICUZ) Ordinance, Chesapeake Bay Preservation Ordinance, the Agricultural Reserve Program, and neighborhood preservation programs, including short-term rental enforcement. 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, and the Workforce Housing Advisory Board.

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.

Budget Per Capita



Key Performance Measures

The table below illustrates how the Department has been performing on their performance metrics:

| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|---------|-------------|--------------|
| Percent of all legal services provided in house | 96% | 96% | 95% | 95% | 95% | 95% |
| Effective hourly rate of all City legal services | \$119 | \$121 | \$122 | \$125 | \$135 | \$139 |
| Number of FOIA requests | 1,382 | 1,756 | 2,122 | 2,034 | 2,100 | 2,280 |
| Number of hours of direct legal services | 40,817 | 40,000 | 44,544 | 49,920 | 49,920 | 49,920 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |
| Overall value received for resident tax dollars and fees | 52.8% | 33.8% | 33.8% |

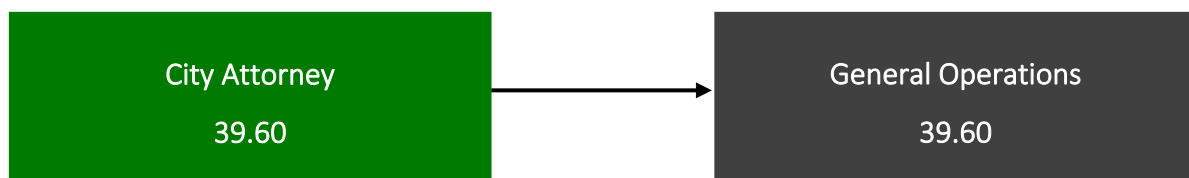
Trends and Issues

→ Major Initiatives

The Office of the City Attorney is actively involved in the implementation of various City initiatives, including the redevelopment of the Dome Site, legal defense of challenges to and amendment of the method of electing City Council members in order to comply with existing state and federal law, potential modification of the City’s billboard ban, and management of the City’s involvement in national litigation against opioid manufacturers and distributors. Land Use and Policy and Administration Attorneys are supporting a number of issue-specific, council-appointed task forces addressing important public policy issues from short term rentals to city support for festivals.

The department’s Real Estate team has seen a steady workload increase coming from road construction and maintenance projects, Clean Water Act mandates, and the City Council’s \$567 million flood protection infrastructure bond issuance to address sea level rise and flooding from storm and wind events. In order to deliver the projects associated with this bond issuance, Public Works has hired multiple new stormwater engineers to manage the new projects. Public Works has hired additional staff and initiated new contracts with outside firms to expedite project completion in these practice areas. These new personnel will contribute to the legal workload, which may in the future necessitate an increase in department staffing in the form of contract attorneys and/or additional in-house attorneys. If City Council elects to allow collective bargaining, additional support will be provided by the City Attorney’s Office to that initiative.

Department Organization Chart



**City Of Virginia Beach, Virginia
City Attorney - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 5,623,158 | 5,558,346 | 6,083,052 | 524,706 |
| Total Expenditures | 5,623,158 | 5,558,346 | 6,083,052 | 524,706 |
| Revenue | | | | |
| Charges for Services | 1,281 | - | - | - |
| Total Revenues | 1,281 | - | - | - |
| General City Support | 5,621,877 | 5,558,346 | 6,083,052 | 524,706 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 39.60 | 39.60 | 39.60 | - |
| Total Positions | 39.60 | 39.60 | 39.60 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

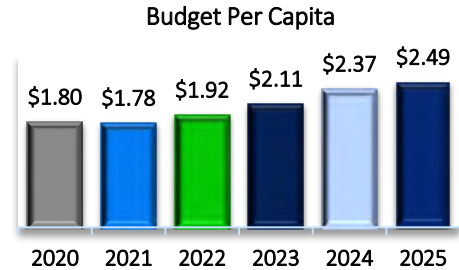
CITY AUDITOR



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

Department Overview

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



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|-------------|--------------|
| Number of audits scheduled each year | 18 | 16 | 16 | 18 | 18 |
| Number of audits completed each year | 14 | 12 | 11 | 17 | 17 |
| Percent of audits completed within budgeted hours | 93% | 92% | 94% | 94% | 94% |
| Number of audit recommendations accepted | 100% | 100% | 100% | 100% | 100% |
| Cases originating from the Fraud, Waste, and Abuse Hotline | 50 | 55 | 73 | 60 | 60 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall image of the City | 80.2% | 67.3% | 55.0% |
| Overall quality of City services | 75.3% | 53.6% | 50.5% |
| Overall value that you receive for your City tax dollars | 52.8% | 33.8% | 33.8% |

Trends and Issues

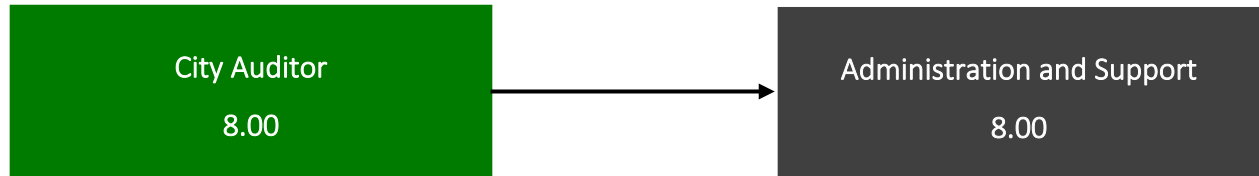
→ Speed of Technology Changes

Auditors must continually provide assurance while adapting to evolving risks, speed of technology changes, and constant regulatory changes. Challenges in this area hit in numerous ways. First, there is an expanded purview required from emerging technologies and related risks. Second, there is the risk of ensuring you have the required skillset to address the technology changes. Third, there is an increased depth and breadth of data that brings along associated issues — including data reliability, related required team efforts, and resource constraints.

→ **Fraud Waste and Abuse Reports**

The number of and complexity of calls to the mandated Fraud, Waste, and Abuse Hotline has returned to pre-pandemic levels in part due to greater than normal turnover and prolonged vacancies that have impacted supervision and operations. The Office of the City Auditor diligently investigates each allegation. Having a robust Fraud, Waste, and Abuse program maintains the City's reputation and ensures that there is a strong system of internal controls to prevent, detect, and deter fraud.

Department Organization Chart



City Of Virginia Beach, Virginia
City Auditor - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 1,072,925 | 1,082,313 | 1,127,387 | 45,074 |
| Total Expenditures | 1,072,925 | 1,082,313 | 1,127,387 | 45,074 |
| Revenue | | | | |
| Total Revenues | - | - | - | - |
| General City Support | 1,072,925 | 1,082,313 | 1,127,387 | 45,074 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 8.00 | 8.00 | 8.00 | - |
| Total Positions | 8.00 | 8.00 | 8.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

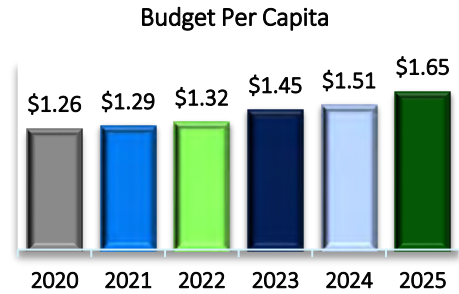
CITY CLERK



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 table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|---------|-------------|--------------|
| Legal documents notarized, scanned, and returned to departments | 749 | 749 | 616 | 635 | 687 | 672 |
| Number of passport applications processed and mailed on the same day | 1,000 | 1,000 | 1,272 | 3,141 | 3,000 | 3,500 |
| Notices of public hearings prepared and forwarded to the newspaper | 85 | 85 | 75 | 61 | 80 | 79 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

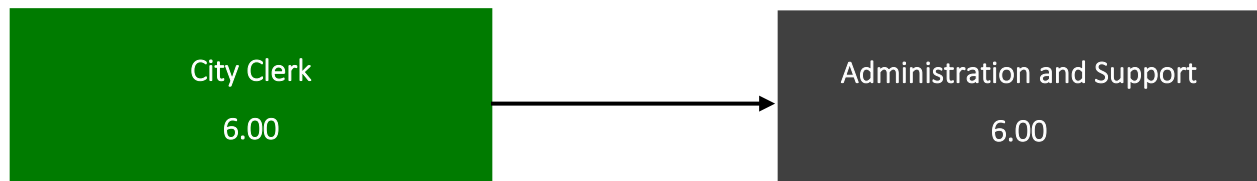
| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |
| Overall quality of customer service received from City employees | 73.0% | 38.0% | 40.6% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |

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

Department Organization Chart



**City Of Virginia Beach, Virginia
City Clerk - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 659,982 | 680,705 | 742,847 | 62,142 |
| Total Expenditures | 659,982 | 680,705 | 742,847 | 62,142 |
| Revenue | | | | |
| Total Revenues | - | - | - | - |
| General City Support | 659,982 | 680,705 | 742,847 | 62,142 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 6.00 | 6.00 | 6.00 | - |
| Total Positions | 6.00 | 6.00 | 6.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

CITY MANAGER



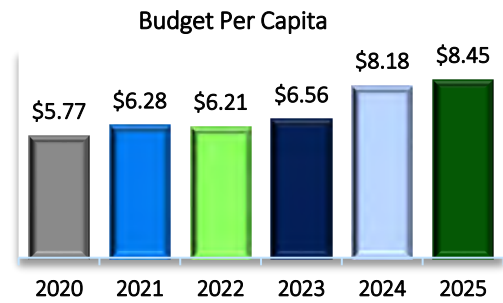
The mission of the City Manager's Office (CMO) is to provide support and direction for the delivery of quality customer service to Virginia Beach residents and visitors, City Council, city staff, and others to maintain and nurture a quality community. The City Manager serves as the executive and administrative 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 six program 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.

Management Leadership Team (MLT)

Consists of the City Manager, Deputy City Managers, Assistant City Manager, and Chief of Staff. Together they work collaboratively to create the policies, procedures, programs, and resourcing strategies to support the vision, goals, and priorities of the City Council.



City Manager's Office Support Team (CMOST)

Consists of the administrative support for the department. They work collaboratively to enhance the delivery of support services to the City Manager's Office and to achieve the mission of the City.

Community Affairs Team

Oversees the intake, investigation, initiation of action, and resolution of public complaints and requests for services from residents and visitors that are referred by City Council members or directed to the City Manager.

Independent Citizen Review Board (ICRB)

Ensures 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.

Legislative Affairs Team

Oversees briefing schedules and preparation of City Council agendas for workshops and formal sessions; manages local, state, and federal intergovernmental relations working with the U.S. Congress and Virginia General Assembly members and staff. Represents the City to regional stakeholder groups and military installations within the City and provides support for grant funding initiatives and changes to state and federal law affecting residents and businesses of Virginia Beach

Volunteer Resources and Resiliency (OVRR)

Engages approximately 120 departmental Volunteer Resource Managers overseeing an annual average of 15,000 volunteers in meaningful City services and programs. This division supports the ongoing recovery and resiliency of those impacted by the May 31, 2019, mass violence event, working with cross-departmental teams and non-government agencies to create pathways for healing. OVRR has proven to be critical in emergency operations, disaster relief, and long-term recovery.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|--------------|--------------|--------------|--------------|--------------|
| Response to citizen concerns/inquiries | 2,881 | 2,246 | 2,340 | 2,450 | 2,450 |
| Value of volunteer service | \$22,197,973 | \$23,663,777 | \$25,367,039 | \$26,230,052 | \$27,460,114 |
| Volunteer hours | 777,784 | 790,109 | 797,706 | 896,853 | 906,900 |
| Number of volunteers engaged in local government | 9,019 | 9,338 | 11,196 | 11,544 | 12,600 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73.0% | 38.0% | 40.6% |
| Availability of information about local government services and activities | 52.0% | 52.5% | 47.5% |
| Opportunities for resident participation in City policy development and decision making | 32.9% | 38.2% | 34.2% |
| The City as a place to live | 89.7% | 60.0% | 49.7% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Overall value that you receive for your City tax dollars and fees | 52.8% | 33.8% | 33.8% |

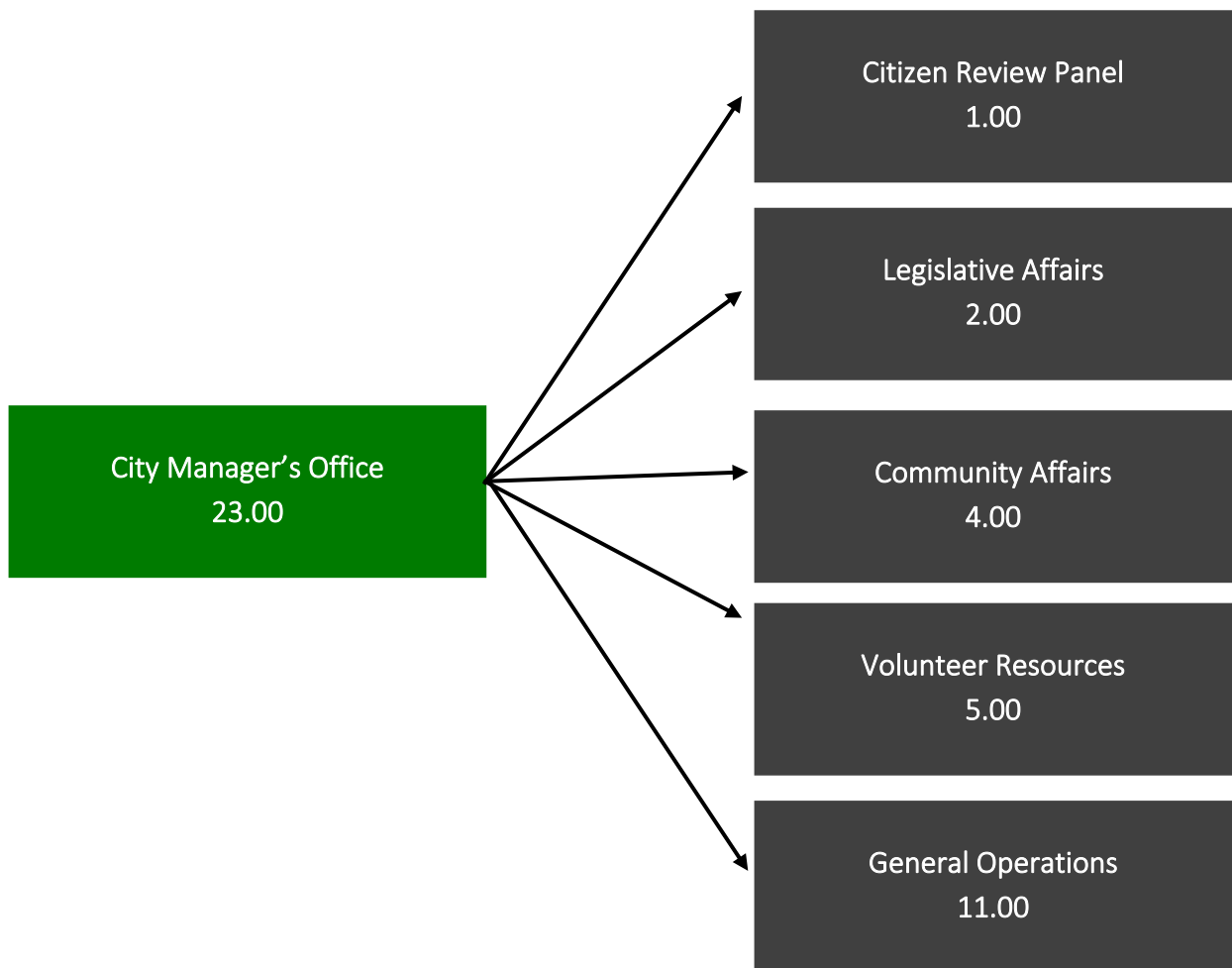
Trends and Issues

- Ensuring appropriate executive oversight/support and strategic deployment of resources to achieve City Council's Focused Action Plan goals, deliver high quality services to the public, and maintain high-level resident satisfaction while being responsive to the financial environment of high inflation, cost escalations, and desire for a lower real estate tax rate.
- Identifying and recommending initiatives to enhance recruitment, retention, and engagement of City employees and volunteers through creating an organizational culture of belonging.
- Supporting long-term recovery from the events of May 31, which continue to deeply impact the workforce, volunteer population and Virginia Beach community as we approach the five-year remembrance, memorial groundbreaking, and return of displaced staff to the Municipal Center.

The focus of the Management Agenda for FY 2024-25 will include:

- Deliver a high level of customer service in support of City Council and their constituents.
- Increase volunteer engagement and the impact of volunteer service across the City.
- Develop leadership capacity and workforce efficiency with administrative services throughout the organization.
- Coordinate trauma-informed recovery and resiliency resources for 5/31 impacted individuals.
- Lobby for and implement City Council's Legislative Agenda through building intergovernmental relationships between local, state, federal and tribal agencies.
- Operationalize the Independent Citizen Review Board (ICRB) and implement the ICRB adopted communication and outreach plan.

Department Organization Chart



**City Of Virginia Beach, Virginia
City Manager - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Community Affairs | - | - | 399,964 | 399,964 |
| Legislative Affairs | - | - | 280,616 | 280,616 |
| Recreation Centers | (10) | - | - | - |
| Citizen Review Panel | - | 110,670 | 92,762 | (17,908) |
| Recreation Services | 137 | - | - | - |
| General Operating Expenses | 2,988,543 | 3,598,961 | 3,060,808 | (538,153) |
| Total Expenditures | 2,988,670 | 3,709,631 | 3,834,150 | 124,519 |
| Revenue | | | | |
| Charges for Services | -6,020 | - | - | - |
| Total Revenues | (6,020) | - | - | - |
| General City Support | 2,994,690 | 3,709,631 | 3,834,150 | 124,519 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Community Affairs | - | - | 4.00 | 4.00 |
| Legislative Affairs | - | - | 2.00 | 2.00 |
| Citizen Review Panel | - | - | 1.00 | 1.00 |
| General Operations | 21.00 | 23.00 | 16.00 | (7.00) |
| Total Positions | 21.00 | 23.00 | 23.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

CITY REAL ESTATE ASSESSOR

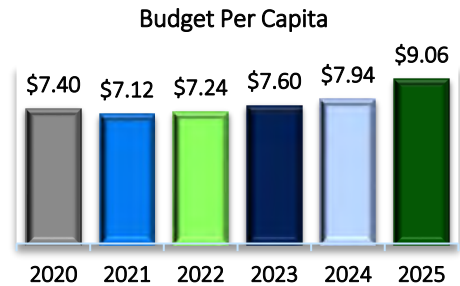


The mission of the City Real Estate Assessor is to annually appraise all taxable and tax-exempt real estate fairly and equitably; maintain and continually amend assessment records to reflect changes in the City's real property in accordance with state law and City code; perform transfers of ownership, 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 City Council of Virginia Beach appoints the City Real Estate Assessor to oversee and administer the functions of the office, which receives its funding by the general city revenue. The office is responsible for the discovery, classification, data management, and analysis to maintain fair and equitable valuation of all property in Virginia Beach for tax purposes with a focus on customer satisfaction, transparency, and continual improvement. Responsibilities include an annual inventory and appraisal of over 163,000 parcels. Quarterly inspection of new construction is ongoing to capture additional value, including the measurement, classification, documentation, and appraisal of newly constructed buildings and additions and renovations to existing structures. Valuation analysis includes review/classification of all property transfers, studies of Income & Expense Statements, rent rolls, cost figures, and model development while following mass appraisal standards. Additional responsibilities include maintaining accurate ownership inventory and processing all parcel inventory (i.e., parcels created from development). In addition, the Assessor's Office manages special programs, including Land Use Valuation, Energy Efficient Buildings, Historic Landmark Reductions, Historic & Special District Rehabilitations, and the Annual Land Book production. The office also provides the opportunity for an informal review of assessments for citizens and other parties before an appeal to the Board of Equalization.



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, an owner 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 table below illustrates how the Department has been performing on their departmental performance metrics:

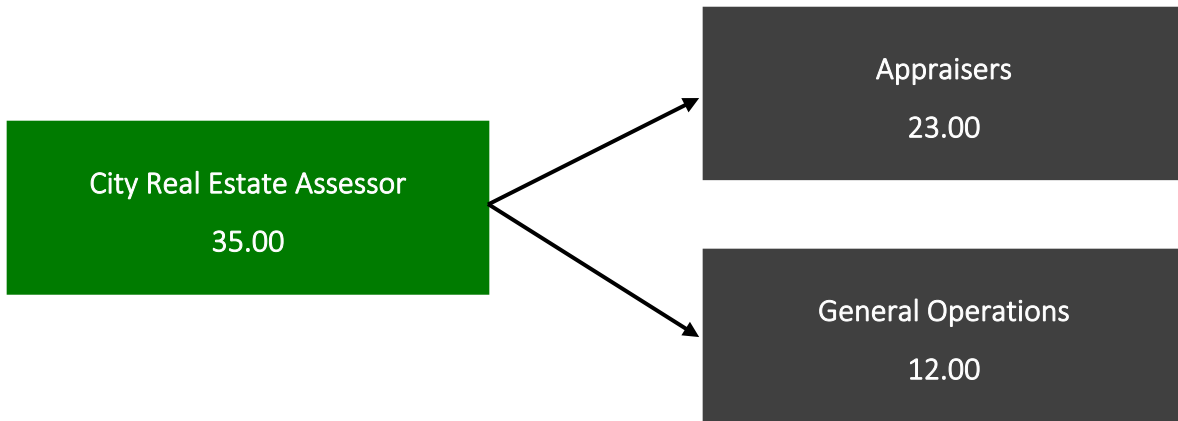
| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|---------|------------|--------------|
| Number of taxable parcels | 158,431 | 158,849 | 159,110 | 159,126 | 159,315 | 159,535 |
| Number of taxable parcels per appraiser | 7,208 | 6,906 | 6,917 | 7,956 | 7,596 | 7,596 |
| Number of tax-exempt parcels | 3,758 | 3,735 | 3,767 | 3,772 | 3,775 | 3,783 |
| Number of new housing units built | 1,443 | 1,109 | 1,233 | 734 | 431 | 500 |
| Average increase in residential property assessments | 3.08% | 2.91% | 4.79% | 11.29% | 9.81% | 7.84% |
| Average increase in commercial property assessments | 5.39% | 2.85% | -1.65% | -0.06% | 5.20% | 8.67% |
| New Construction Value Added (Millions by calendar year) | \$503.7 | \$373.1 | \$284.3 | \$440.5 | \$300.0 | \$320.5 |
| Number of Appeals/BOE Reviews (Calendar Year) | 307/33 | 349/45 | 272/50 | 197/48 | 376/36 | 350/55 |

Trends and Issues

- The City Real Estate Assessor’s Office is adopting new technology and upgrading existing systems to increase efficiency, enhance analysis, and aid assessors in keeping up with the expanding number of properties across the City. This process started in FY 2023-24 with the adoption of the Mobile Assessor tool and enhanced property search software. The office is currently implementing and training on AppraisalEst – a geographic analysis tool providing assessors the ability to generate maps for analysis, enhanced valuation modeling, and data cleansing capabilities. The department is collaborating with the City Treasurer, Commissioner of the Revenue, and Information Technology to modernize the City’s Computer-Assisted Mass Appraisal (CAMA) software. Additionally, the department is exploring opportunities to improve commercial income and expense data collection and analysis by pursuing the ability to standardize and securely collect information by providing online, fillable forms.
- The City Real Estate Assessor is projecting a 7.37% increase in assessments for FY 2024-25, with the median residential assessment increasing by 6.4%. While this increase is not as substantial as the two previous Fiscal Years, the residential market continues to remain elevated due to low inventory. Overall, growth is projected to be 0.5%, while appreciation is projected at 6.8%. Growth continues to remain limited due to lack of available developable land.
- Many market analysts are predicting a ‘gradual thaw’ in the future housing market as mortgage rates fall and more buyers and sellers enter the market. Predictions include an elevated market for new homes sales due to builder’s ability to buy down mortgage rates combined with a pent-up demand for housing.
 - Zillow predicts 3.4% in 2024, 3.3% in 2025, 3.2% in 2026. Redfin (Dec 2023) predicts 1% decrease in 2024 and a robust rental market due to homeowner lack of affordability.
- While foreclosures and foreclosure sales are on the upswing, they are still far below pre-pandemic figures seen in 2019. Moratoriums put in place during the pandemic that prohibited new foreclosures created artificially low numbers. Inflation and high interest rates are expected to continue to impact these figures for the future.

| Sale Type | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------|------|------|------|------|------|------|------|------|------|
| Foreclosure | 916 | 799 | 664 | 548 | 497 | 193 | 99 | 166 | 179 |
| Foreclosure Sales | 785 | 725 | 536 | 447 | 341 | 212 | 61 | 86 | 100 |

Department Organization Chart



City Of Virginia Beach, Virginia
City Real Estate Assessor - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Board of Equalization | 968 | 2,774 | 2,566 | (208) |
| General Operating Expenses | 3,061,988 | 3,626,623 | 4,106,409 | 479,786 |
| Total Expenditures | 3,062,956 | 3,629,397 | 4,108,975 | 479,578 |

| Revenue | | | | |
|-----------------------------|------------------|------------------|------------------|----------------|
| Total Revenues | - | - | - | - |
| General City Support | 3,062,956 | 3,629,397 | 4,108,975 | 479,578 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 35.00 | 35.00 | 35.00 | - |
| Total Positions | 35.00 | 35.00 | 35.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

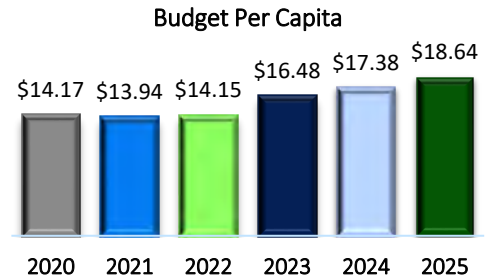
CITY TREASURER



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

Department Overview

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



Key Performance Measures

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

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|-----------|-----------|-----------|-------------|--------------|
| Number of personal property bills generated | 548,181 | 594,704 | 576,307 | 568,738 | 570,000 |
| Number of real estate bills generated | 183,054 | 198,325 | 195,753 | 197,119 | 198,499 |
| Number of trustee bills generated | 45,393 | 46,303 | 47,494 | 47,968 | 48,447 |
| Number of Miscellaneous bills generated | 23,601 | 26,373 | 41,967 | 34,000 | 35,000 |
| Number of Parking Tickets Referred through Treasurer | 17,901 | 23,239 | 19,439 | 19,000 | 20,000 |
| Amount of restitution collected and reimbursed to victims | \$465,387 | \$511,153 | \$429,969 | \$430,000 | \$450,000 |
| Number of Online Payments | 1,224,187 | 1,158,717 | 1,287,576 | 1,351,955 | 1,400,000 |
| Total number of payments processed | 2,443,965 | 2,424,013 | 2,541,625 | 2,500,000 | 2,500,000 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73.0% | 38.0% | 40.6% |
| Overall quality of services provided by the City | 71.1% | 47.8% | 50.5% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Availability of information about local government services and activities | 52.0% | 52.5% | 47.5% |
| Overall value that you receive for your City tax dollars and fees | 52.8% | 33.8% | 33.8% |

Trends & Issues

→ Tax Collection

In line with the mission of the City Treasurer’s Office to collect revenues and tax receipts due to the City in the most efficient and effective manner, collection activities have continued after enforcement methods were lessened during the height of the pandemic. The Treasurer will continue to enforce wage liens at the reduced rate of 25%, rather than the 100% of wages allowable by State Code. The Treasurer will continue to work with citizens and businesses as well as offer payment plans; however, these methods prolong the life of the collection. The Treasurer continues DMV Stops in the collection of personal property and parking tickets.

→ Enterprise Revenue Management – Technology Advancements

The Treasurer’s Office continues to refine the software capabilities facilitating the billing and collection of local taxes and other charges, specifically working on automation of collection functionality as well as online functionality. In September 2021, the online business portal was expanded to include the filing and payment of trustee taxes. In September 2022, payment of School Board invoices was added to the citizen portal. In February 2023, payment for Police Department Application tests were added and in November 2023, Police Department FOIA requests could be paid online. Payments made online continue to grow and the Treasurer will continue expanding the types of payments accepted online. Internally, the office continues to redevelop legacy applications to keep technologies current. In April 2023, the City Treasurer’s Office replaced their aging remittance processor, which is the software and hardware that processes all checks and related payment coupons to post payments in subsidiary systems and perform bank deposits. This new technology creates redundancy, reducing or eliminating down time, and scans more documentation cutting down on paper files/storage.

→ E-billing Initiative

The City Treasurer’s Office was approved funding in the Capital Improvement Program to expand the online payment portal to add electronic billing. The reliable delivery of tax bills by the post office remains an ongoing concern for our citizens. This project is intended to provide citizens the option to receive their personal property and/or real estate bills in an electronic/email form. It is the expectation that the e-billing solution be able to be expanded upon to other types of bills sent by the City Treasurer. This project is currently in the documentation phase.

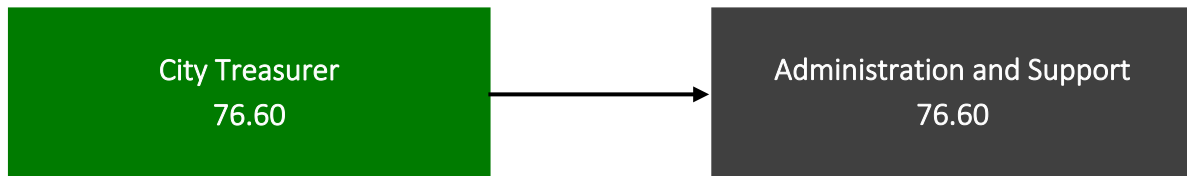
→ **Court Costs & Fines and Restitution Collections**

The inability of the Courts to suspend driver’s licenses for the non-payment of court costs and fines continues to make the Treasurer’s collection of these charges difficult. Additionally, the method in which the Courts refer cases to the Treasurer’s Office for collections has been modified, resulting in fewer referrals.

→ **Request for Grace Period**

In November 2023, the City Treasurer asked City Council to consider a grace period for payments after the due date for real estate and personal property taxes. The Treasurer presented options for a 5 day or a 10 day grace period showing the estimated foregone penalty and interest. After the presentation, the City Treasurer expressed additional concerns regarding the lack of timely postmarking and delivery of mail by the United States Postal Services based on citizen feedback. If City Council concurs with adopting a grace period, this change would be incorporated in the FY2024-25 budget with a start date of July 1, 2024. The proposed operating budget includes a 5-day grace period. It is estimated this will result in \$500,000 less in revenue for the city.

Department Organization Chart



City Of Virginia Beach, Virginia
City Treasurer - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 7,299,963 | 8,171,023 | 8,454,552 | 283,529 |
| Total Expenditures | 7,299,963 | 8,171,023 | 8,454,552 | 283,529 |
| Revenue | | | | |
| Charges for Services | 2,540,334 | 2,360,082 | 2,586,000 | 225,918 |
| Permits, Fees, and Regulatory Licenses | 33,941 | 31,475 | 35,950 | 4,475 |
| Personal Property | - | - | - | - |
| Real Estate | - | - | - | - |
| Revenue from the Commonwealth | 750,655 | 808,920 | 756,000 | (52,920) |
| Transfer In | 383,516 | 645,781 | 548,911 | (96,870) |
| Total Revenues | 3,708,446 | 3,846,258 | 3,926,861 | 80,603 |
| General City Support | 3,591,517 | 4,324,765 | 4,527,692 | 202,927 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 76.60 | 76.60 | 76.60 | - |
| Total Positions | 76.60 | 76.60 | 76.60 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

COMMISSIONER OF THE REVENUE



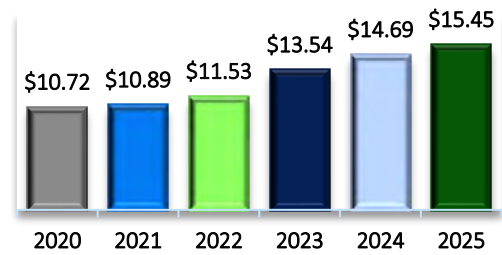
The mission of the Commissioner of the Revenue is to ensure the uniform and consistent assessment of applicable state and local tax codes while providing customer assistance on all tax related issues.

Department Overview

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

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

Budget Per Capita



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|-------------|--------------|
| Audits and investigations | 20,454 | 16,408 | 20,636 | 21,152 | 21,152 |
| Personal property accounts assessed | 551,564 | 568,592 | 544,995 | 568,870 | 568,870 |
| DMV customer contacts | 44,697 | 55,086 | 52,467 | 53,556 | 53,556 |
| Direct customer contacts | 310,166 | 331,806 | 341,760 | 352,013 | 352,013 |
| Business licenses assessed | 30,623 | 30,128 | 30,262 | 31,019 | 31,019 |
| Business property accounts assessed | 26,533 | 26,611 | 26,816 | 27,931 | 27,931 |
| Military and volunteer exemptions processed | 54,541 | 33,081 | 26,536 | 35,875 | 35,875 |
| State income returns assessed | 21,371 | 19,264 | 15,660 | 15,500 | 15,500 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73.0% | 38.0% | 40.6% |
| Overall quality of services provided by the City | 71.1% | 47.8% | 50.5% |

Trends & Issues

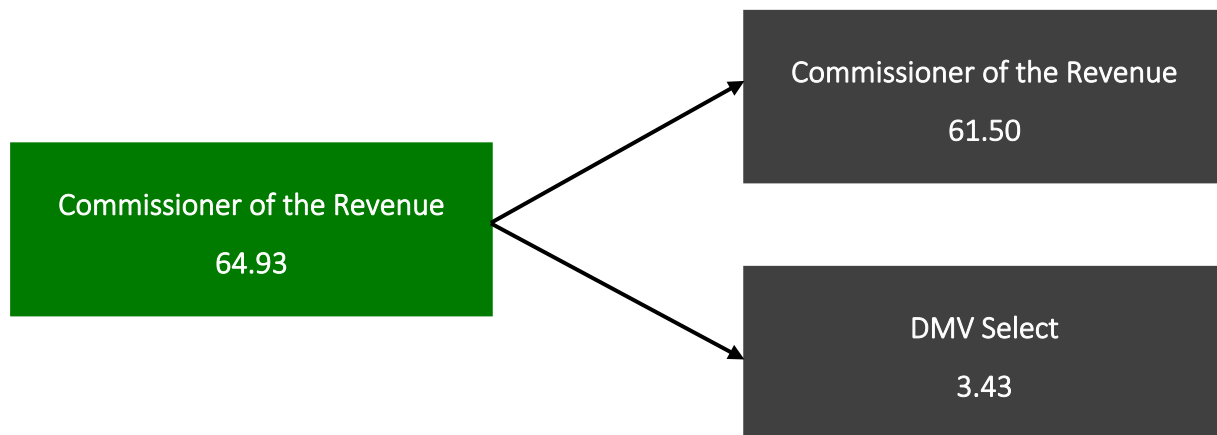
→ Efficiencies for Business Owners – Online Business Personal Property Portal

In Fall 2023, an enhancement to the Commissioner of the Revenue’s online business portal was completed to allow for online business personal property filing. Coupled with the ability to renew business licenses, apply for new business licenses, and file and pay trustee taxes, the Commissioner of the Revenue will possess one of the most dynamic online filing systems in the state, surpassing 15,000 online business accounts. Over \$16 million in business license and \$35 million in trustee tax revenue was paid online for 2022. The Commissioner of the Revenue continues to provide face-to-face services to taxpayers at City Hall, but now businesses have a choice regarding how they interact with the office.

→ Tax Relief Programs

The City has operated a tax relief program for seniors and veterans since 1973 and 2011, respectively. First-time applicants for these relief programs must meet with the Commissioner of the Revenue and the office requires regular forms to keep the City up to date on property information. Both programs have seen steady increases in enrollment, especially the veterans’ tax relief program, which had its eligibility requirements expanded in 2019 and 2022.

Department Organization Chart



City Of Virginia Beach, Virginia
Commissioner of the Revenue - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| DMV Select | 200,194 | 172,553 | 159,123 | (13,430) |
| General Operating Expenses | 6,346,365 | 6,289,288 | 6,804,986 | 515,698 |
| Total Expenditures | 6,546,559 | 6,461,841 | 6,964,109 | 502,268 |
| Revenue | | | | |
| Revenue from the Commonwealth | 952,400 | 1,020,968 | 1,020,968 | - |
| Total Revenues | 952,400 | 1,020,968 | 1,020,968 | - |
| General City Support | 5,594,159 | 5,440,873 | 5,943,141 | 502,268 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| DMV Select | 2.93 | 3.43 | 3.43 | - |
| General Operations | 62.00 | 61.50 | 61.50 | - |
| Total Positions | 64.93 | 64.93 | 64.93 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

COMMONWEALTH’S ATTORNEY



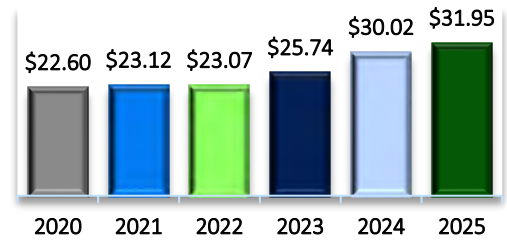
The Office of the Commonwealth’s Attorney is responsible for reviewing and prosecuting all felony cases as well as some misdemeanors and civil matters. At the discretion of the Commonwealth’s Attorney, the office also prosecutes all DUIs, city and state misdemeanor appeals, domestic violence cases, and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

Department Overview

The Commonwealth’s Attorney is an elected, constitutional (Article VII, Section 4), law enforcement official who is independent from both the City and the Commonwealth. The primary responsibilities of the Commonwealth’s Attorney’s Office are:

- To review all felony and selected misdemeanor cases, and to pursue the prosecution of those cases where there is sufficient evidence.
- To oversee many civil matters to include forfeitures, extraditions, and mental health appeals.
- To oversee, at the office’s discretion, all city and state misdemeanor appeals, all Driving Under the Influence (DUI), 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.

Budget per Capita



Key Performance Measures

The performance measures below are shared to provide a new framework showcasing the work associated with the services the Office of the Commonwealth’s Attorney performs. The sharp rise in both the Number of Body-Worn and In-Car camera videos and Total hours of Body-Worn and In-Car camera videos from FY 2021-22 to FY 2022-23 is due to the phased implementation of the devices by Virginia Beach law enforcement.

The table below illustrates how the department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|-------------|--------------|
| Total number of felony cases opened | 2,793 | 3,277 | 3,845 | 4,511 |
| Total number of misdemeanor cases opened | 3,783 | 4,135 | 4,520 | 4,940 |
| Number of participants in the Drug Treatment Court | 14 | 21 | 32 | 47 |
| Number of Body-Worn and In-Car camera videos | 42,693 | 68,816 | 75,698 | 83,267 |
| Total hours of Body-Worn and In-Car camera videos | 21,577 | 38,801 | 42,681 | 46,949 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---------------------------------------|----------------|-----------------|------------------|
| Feeling of safety in the City overall | 80.1% | 71.1% | 9% |

Trends & Issues

→ **Body-Worn Cameras**

The Axon body-worn camera project went live with the Virginia Beach Police Department and the Office of the Commonwealth’s Attorney in August 2018, with the deployment of the first phase of body-worn cameras. Currently, the Police Department deployed approximately 822 body-worn cameras, outfitting all patrol officers, detectives, and supervisors. In February 2022, the Police Department deployed approximately 230 in-car cameras. The Virginia Beach Fire Department has 7 Fire Investigators who also have body-worn cameras. In the fall of 2023, the Virginia Beach Sheriff’s Office completed their implementation of body-worn cameras. It is still too early to tell what impact these additional body-worn cameras will have on staff workload.

The body-worn camera project directly impacts the workload of the Commonwealth’s Attorney staff and how the Office prosecutes cases. Prosecutors are ethically bound to review all body-worn camera footage related to their cases. In the summer of 2021, the Office of the Commonwealth’s Attorney implemented a new initiative to help streamline processes and assist the Police Department as well as attorneys on receiving body-worn camera-related videos. While this is a more efficient process, the Office of the Commonwealth’s Attorney has taken on an augmented workload. Department employees are being provided overtime to manage this increase in case hours.

→ **Expected Victim Witness Grant Decrease**

Victim Witness is a team comprised of eight caseworkers, a clerk, and an office assistant within the Office of the Commonwealth’s Attorney that assists victims and witnesses in criminal cases. Some services include support throughout the court process and empowering victims and witnesses to testify while complying with the Virginia Constitutional Crime Victims’ Bill and the Crime Victim and Witness Rights Act. These positions are supported by a Victims of Crime Act (VOCA) grant administered through the Virginia Department of Criminal Justice Services with federal government funds. The FY 2023-24 Victim Witness grant award was reduced by 10% from the previous year; VOCA funds are projected to be cut further in FY 2024-25. Staff will monitor this trend and request an adjustment to the FY 2024-25 budget if necessary.

→ **Additional Cases for Prosecution**

The Office of the Commonwealth’s Attorney is statutorily obligated to prosecute all felonies, but not required to prosecute misdemeanor cases. The Office already prosecutes all misdemeanor cases that include domestic violence and driving under the influence. The Office has expanded this by prosecuting all misdemeanor charges related to school threats. In addition, the Office was awarded a three-year state grant to help prosecute misdemeanor concealed weapons charges. This grant funds an attorney and a legal information clerk to assist with the file preparation and prosecution of these additional misdemeanor charges.

→ **Changes in Jury Sentencing**

The General Assembly enacted legislation in 2021 that changed the way defendants are sentenced after a jury trial. Historically, the jury determined if a defendant was guilty or not guilty and also recommended a sentence. The new legislation removed the jury from participation in the sentencing portion of the trial, redirecting the sentencing decision to the judge, unless the defendant specifically requested a jury sentencing. As a result of these changes, there has been a large increase in jury trial requests creating many more preparation hours for both attorneys and support staff. The change in legislation resulted in an increase in the scheduling of jury trials. The Office of the Commonwealth’s Attorney prepared for approximately 225 scheduled jury trials in FY 2021-22. In FY 2022-23, the number of jury trials scheduled increased by 50% (336 jury trials). As of February 2024, the projected number of jury trials scheduled for FY 2023-24 was 287, and there are 53 jury trials scheduled for FY 2024-25.

→ **Commonwealth’s Attorney Staffing Standards**

A multi-year statewide time study was conducted by the Virginia Compensation Board and the District on State Courts. The results of the time study were adopted by the Compensation Board. In the study, The Virginia Beach Commonwealth’s Attorney’s office was allocated an additional five attorneys to handle only statutorily mandated cases. Budget amendments have been submitted to the Commonwealth of Virginia’s 2024 General Assembly session addressing funding for the newly allocated positions at the time of writing. The outcomes of the bills are unknown at this time.

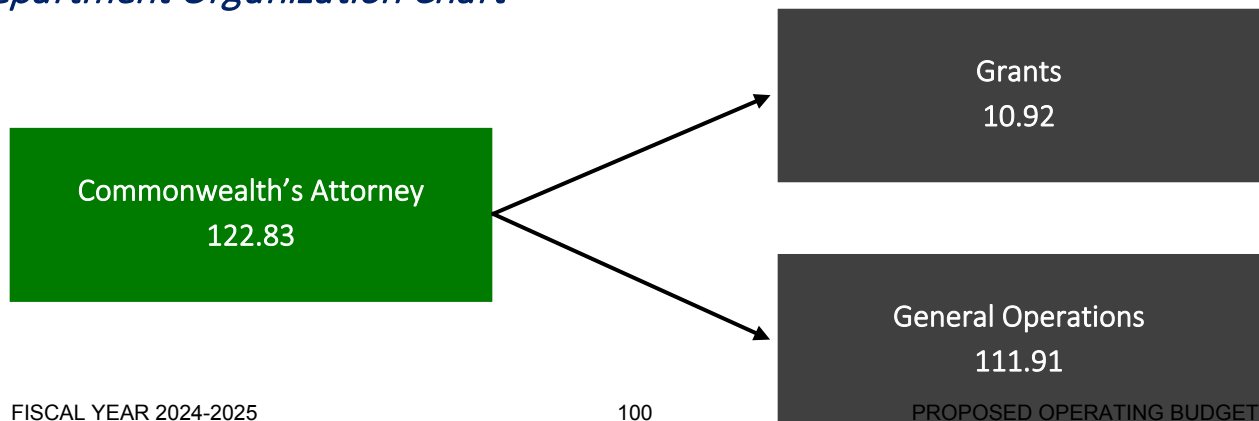
→ **Alternative Court Dockets**

The City of Virginia Beach offers an alternative sentencing court docket related to adult drug offenders that is run by the Circuit Court and administered by Commonwealth’s Attorney’s Office. The City’s Drug Court helps reduce recidivism and allows participants the opportunity to obtain housing, adequate employment, and sustained sobriety upon graduation from the program. This initiative is part of a larger push within the legal system to add non-traditional methods of resolving offenses aside from normal criminal proceedings. In addition to the Drug Court, specialty courts include a Veteran’s Court and a Drug Court solely for juveniles. Lastly, the Circuit Court is beginning a new Mental Health/Behavioral Docket that the Virginia Beach Commonwealth’s Attorney’s office will be involved in.

→ **Focus on Mental Health**

In November 2023, the Virginia Beach Office of the Commonwealth’s Attorney became certified through the Optima/Sentara Employee Assistance Program and the Virginia Department of Health to become the first accredited Peer Support Program (PSP) in a prosecutor’s office in the state. The Peer Support Program provides office staff with a line of support for personal and professional hardships. The Office of the Commonwealth’s Attorney also welcomed Zuhey, a new office facility dog, in the summer of 2023 as she calmed and comforted victims and witnesses during meetings and in preparation for court hearings. Zuhey and her handlers have completed training with the Service Dogs of Virginia (SDV) organization. The Peer Support Program and the office facility dog are both undertakings of the Commonwealth’s Attorney’s Office and not funded by the City.

Department Organization Chart



**City Of Virginia Beach, Virginia
Commonwealth's Attorney - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Victim/Witness | 37,080 | 191,849 | 130,111 | (61,738) |
| General Operating Expenses | 10,919,102 | 12,751,566 | 13,642,647 | 891,081 |
| Total Expenditures | 10,956,182 | 12,943,415 | 13,772,758 | 829,343 |
| Revenue | | | | |
| Charges for Services | 1,889 | - | - | - |
| Revenue from the Commonwealth | 3,131,636 | 3,348,113 | 3,710,521 | 362,408 |
| Total Revenues | 3,133,526 | 3,348,113 | 3,710,521 | 362,408 |
| General City Support | 7,822,656 | 9,595,302 | 10,062,237 | 466,935 |
| FD230: Commonwealth's Attorney Forfeited Assets Special Revenue Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 39,837 | 100,000 | 100,000 | - |
| Total Expenditures | 39,837 | 100,000 | 100,000 | - |
| Revenue | | | | |
| From the Use of Money and Property | 7,718 | - | - | - |
| Revenue from the Commonwealth | 58,519 | - | - | - |
| Specific Fund Reserves | - | 100,000 | 100,000 | - |
| Total Revenues | 66,237 | 100,000 | 100,000 | - |
| General City Support | (26,399) | - | - | - |
| FD270: Consolidated Grants Special Revenue Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 679,262 | 533,865 | 530,130 | (3,735) |
| Total Expenditures | 679,262 | 533,865 | 530,130 | (3,735) |
| Revenue | | | | |
| Charges for Services | 1,250 | - | - | - |
| Revenue from the Commonwealth | 97,890 | 172,214 | 162,642 | (9,572) |
| Revenue from the Federal Government | 299,589 | 361,651 | 367,488 | 5,837 |
| Transfer In | 139,004 | - | - | - |
| Total Revenues | 537,733 | 533,865 | 530,130 | (3,735) |
| General City Support | 141,529 | - | - | - |

**City Of Virginia Beach, Virginia
Commonwealth's Attorney - Departmental Resource Summary**

| FD100: General Fund | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|-------------------------------|-------------------|-------------------|-------------------|---------------------|
| Position Summary | Actual | Amended | Proposed | from FY 2024 |
| Victim/Witness | - | - | 1.00 | 1.00 |
| General Operations | 97.91 | 110.91 | 110.91 | - |
| General Fund Positions | 97.91 | 110.91 | 111.91 | 1.00 |

FD270: Consolidated Grants Special Revenue Fund

Position Summary

| | | | | |
|---|--------|--------|--------|--------|
| General Operations | 10.92 | 11.92 | 10.92 | (1.00) |
| Consolidated Grants Special Revenue Fund Positions | 10.92 | 11.92 | 10.92 | (1.00) |
| Total Positions | 108.83 | 122.83 | 122.83 | 0.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

COMMUNICATIONS



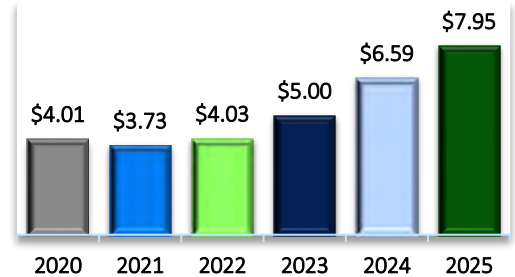
The Communications Office mission is to provide the full range of strategic and tactical communications services that facilitate service delivery, relationship-building, and the exchange of ideas to achieve established objectives.

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 and public input opportunities.
- 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 in line with municipal organization brand
- Manages member communications

Budget Per Capita



Key Performance Measures

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

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|-----------|-----------|-----------|-------------|--------------|
| Number of website visitors per year | 3,043,482 | 3,296,103 | 6,450,759 | 4,692,754 | 5,162,029 |
| Number of plays of online files | 307,174 | 557,026 | 857,189 | 650,000 | 675,000 |
| Number of social media followers across all platforms | 326,036 | 376,182 | 405,614 | 415,000 | 420,000 |
| Number of visitors to PublicInput.com | 31,755 | 24,197 | 55,588 | 80,000 | 77,516 |
| Number of completed surveys on PublicInput.com | 11,662 | 4,783 | 9,259 | 16,000 | 18,000 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

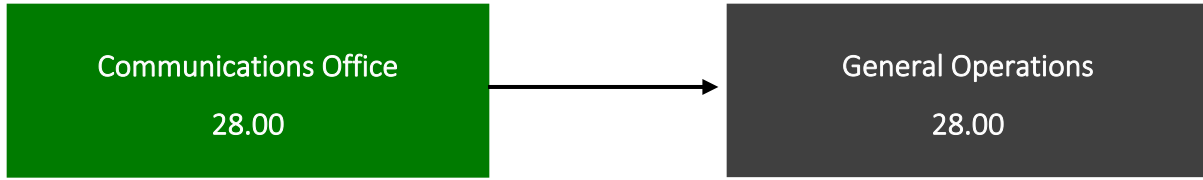
| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73.0% | 38.0% | 40.6% |
| Usefulness of the City’s website | 59.0% | 45.5% | 43.4% |
| Availability of information about local government services and activities | 52.0% | 52.5% | 47.5% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Opportunities for resident participation in City policy development and decision making | 32.9% | 38.2% | 34.2% |

Trends & Issues

→ Social Media and Citizen Engagement

- The Communications Office maintains the City’s seven “corporate level” social media sites (Facebook, Twitter, Nextdoor, YouTube, Flickr, Instagram and LinkedIn) which have a combined followership of more than 412,000 as of February 2024. This is a 1.7% increase from the FY2022-23 followership. Growing the City’s reach to new audiences that represent all Virginia Beach residents is a critical component of the City’s social media strategy. This is especially important because social platforms provide direct, unmediated connections with people and a large portion of Americans rely on social media for news (Pew Research Center, 2021).
- The department’s new Community Engagement division promotes and facilitates civic engagement by empowering residents through information, training and tools to understand and utilize the variety of ways in which they can serve, interact with, and have a voice in their local government. To achieve City Council and residents’ desire for enhanced community engagement, the utilization of the Public Input platform has been rebranded as SpeakUpVB.com and expanded to serve as the community engagement hub where residents can participate in meetings and surveys, provide their comments and input, and receive updates on specific projects. From 2018 through the end of February 2024, more than 87,000 people have provided 1,668,777 responses on SpeakUpVB.com surveys.
- The analytics from future engagements will provide staff with the knowledge of who is participating and how they are learning about the opportunities, as well as highlight demographic groups that are under-represented to further guide resource decisions.
- The Communications Department is using Marketing Cloud for email marketing. This interface offers a fully customizable team-based collaboration platform that also analyzes channel and content performance.
- The City’s new website, virginia-beach.gov, launched in February 2022 as a Phase 1 step and wrapped up the final phase in January 2024. In the 2022 Resident Survey, usefulness of the City website exceeded national averages by 13.5%, with 86% of residents have visited the City website and ranking #2 in source for City information. It is anticipated that the enhanced functionality, as well as American Disability Act (ADA) compliance, will increase citizen satisfaction and usage.

Department Organization Chart



**City Of Virginia Beach, Virginia
Communications Office - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 2,729,526 | 3,011,915 | 3,651,592 | 639,677 |
| Total Expenditures | 2,729,526 | 3,011,915 | 3,651,592 | 639,677 |
| Revenue | | | | |
| Total Revenues | - | - | - | - |
| General City Support | 2,729,526 | 3,011,915 | 3,651,592 | 639,677 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 25.00 | 28.00 | 28.00 | 0.00 |
| Total Positions | 25.00 | 28.00 | 28.00 | 0.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

CONVENTION AND VISITOR'S BUREAU



The Virginia Beach Convention and Visitor's 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 Visitor's Bureau (CVB) are:

Convention Promotion and Facility Management

This program provides 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

This program includes 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.

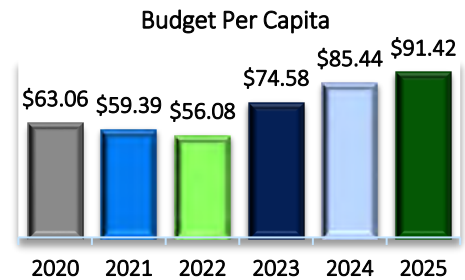
With the opening of the Sports Center, the Sports Marketing division communicates the capabilities of the facility and submit proposals to new groups and tournaments who have an interest in the City's new Sports Center in addition to other sporting venues throughout the City.

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 the 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 Management Office

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 special events organizers 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



Increase in FY 2022-23 due to reabsorption of the Resort Management Office.

manages oceanfront franchise agreements (including open air cafes, 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. Some of the main events that are managed by Resort Management Office are the Boardwalk Art Show, East Coast Surf Championships, Neptune Festival, North American Sand Soccer Championship, and the Shamrock Marathon.

Key Performance Measures

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

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|-----------|-----------|-----------|-------------|--------------|
| Number of Convention Center visitors | 168,641 | 360,000 | 388,266 | 478,594 | 502,397 |
| Hotel room demand (in summer) | 809,826 | 817,924 | 813,110 | 812,939 | 829,198 |
| Hotel room demand (non-peak) | 1,498,399 | 1,513,382 | 1,660,696 | 1,694,689 | 1,728,583 |
| Number of international visitors to Virginia Beach | 0 | 266,000 | 355,000 | 415,000 | 471,000 |
| Number of visitors served at visitor center information locations | 57,244 | 67,000 | 45,821 | 47,000 | 50,000 |
| Sports Center estimated athletes | 52,355 | 40,000 | 82,208 | 86,587 | 90,000 |
| Sports Center estimated spectators | 58,810 | 60,000 | 118,000 | 119,013 | 122,583 |
| Number of estimated room nights based on Sports Center projected events | 33,803 | 35,000 | 60,759 | 59,144 | 61,000 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73% | 38% | 40.6% |
| Overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |
| Physical condition of City parks, trails, or other outdoor facilities | 88.4% | 68.6% | 50.6% |
| Overall Image of the City | 80.2% | 67.3% | 55% |
| Feeling of safety in retail areas | 62.9% | 68.1% | 65.5% |
| Overall condition of City sidewalks | 51.4% | 55.2% | 48% |
| City efforts to attract business/tourism | 56.2% | - | - |

Trends and Issues

→ Virginia Beach Sports Center

The Virginia Beach Sports Tourism team hosted 165 events in FY 2022-23 throughout the City of Virginia Beach, utilizing many different venues. The Virginia Beach Sports Center is a tournament facility that has hosted a variety of sporting events since opening in October of 2020. The Virginia Beach Sports Center hosted 59 of the 165 events that took place in Virginia Beach. The Sports Tourism team continues to garner commitments from new events including, NCAA Indoor Track and Field Division I, II, III Championship; CAA Indoor Track & Field Championship; USA Gymnastics; International Super Cup; NABA Intercity; USA Field Hockey National Indoor Championship. The Sports Center is owned by the City of Virginia Beach and is currently soliciting for permanent operator. In the interim, Sports Facilities Company is running the daily operation until a permanent operator is selected.

→ Resort Area Initiatives and Special Events

A new music festival has been announced for June of 2024, the Virginia Beach Point Break Music Festival, which will feature both free and ticketed, local, national, and international entertainment that will be featured on two stages located at 3rd and 6th streets on the sand and in city parks. In addition, the month of June will feature the return of the Jackalope Festival, along with the North American Sand Soccer Championships. The festival season will extend into October with a new weekend for the Something in the Water Festival. Terms of the agreement are not yet defined; however current belief is that the agreement would be the same as the previous agreement. For that reason, the budgeted amount is based on the previous agreement. Virginia Beach continues to strengthen its place in the tourism industry as a destination for Festival and Entertainment Tourism, while providing a positive economic impact to the city, region, and state. In response to the numerous events and festivals requesting city funds, City Council has appointed a 90-day Festival Task Force, with 17 citizen representatives, that will report out recommendations for event policies and procedures for events that request city funds. The following table is the current list of festival with City support.

| Festival | City Support |
|------------------------|--------------|
| Boardwalk Art Show | \$200,000 |
| Something in the Water | \$2,000,000 |
| Neptune Festival | \$475,000 |
| Jackelope Festival | \$1,000,000 |
| Symphony By the Sea | \$150,000 |
| Point Break Festival | \$750,000 |

→ Convention Center Utilization

The Virginia Beach Convention Center (VBCC) continues to recover from the pandemic and revenues are returning accordingly. The Convention Center has successfully hosted multiple events such as trade shows, banquets, consumer shows, and a few conventions sustaining revenue. Local events continue to be consistent and business travel/events fluctuate. Industry experts have indicated that inflation, energy prices, supply-chain challenges and labor shortages may continue to add months to reach full recovery. As such, revenue projections are forecasted to increase based on existing 2025 event bookings.

→ **Economic Recovery**

In the calendar year 2023 (December 2023 YTD), Virginia Beach Year over Year occupancy rates continued their upward trend after a successful 2022, including record highs in both Average Daily Rate (ADR) and Revenue per Available Room (RevPAR).

Per the latest report from Tourism Economics, a subsidiary of Oxford Economics, Virginia Beach welcomed 13.6 million visitors in 2022. Visitor expenditures, amounting to \$2.4 billion, marked a significant increase of \$300 million compared to the previous year and a striking \$460 million rise above the spending levels seen in 2019. This had a far-reaching economic impact, encompassing both indirect and induced effects, resulting in a grand total of \$3.7 billion for 2022. The substantial increase in visitor spending, its impact on jobs, and the boost in tax revenue reflect the strength of our local economy. This economic ripple sustained 32,704 jobs, equating to 19% of all jobs in the city. In addition, tourism spending contributed \$324 million in state and local tax revenues during the same year, offsetting local annual taxes by \$1,754 per Virginia Beach household.

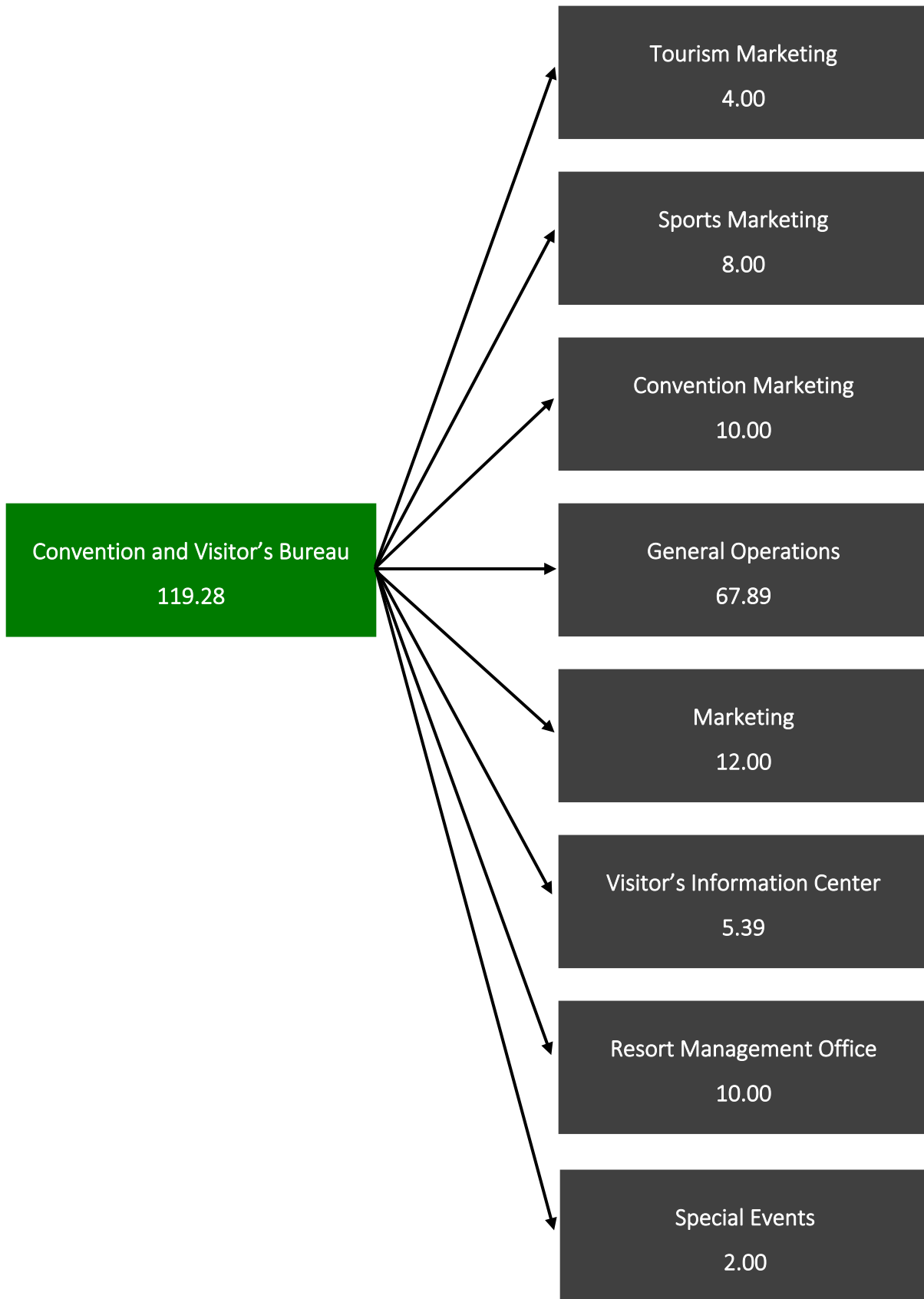
Fueled by pent-up demand, visitor spending surged by 14.5% in 2022, marking a second consecutive year of double-digit growth. As all spending categories (food & beverage, lodging, transportation, and retail) enjoyed robust expansion, Virginia Beach has unmistakably transitioned into a full-fledged recovery, post-pandemic, with both visitor numbers and spending surpassing the levels recorded in 2019.

Lodging tax spending in 2022 was \$661 million and represents 28% of visitor spending, 42.81% higher than pre-COVID 2019 levels; and an increase of 146.14% over 2020. This revenue source includes both traditional and short-term rentals. (Tourism Economics Report in comparison to last year’s data presented.)

Major Budget Changes

| | Change | Impact |
|---|--|---|
| ↑ | Beach Ambassador Program Contractual Increase \$65,542 (TIP Fund) | The Resort Management Office has been running the Beach Ambassador Program focused on providing cleaning services, safety services, and hospitality services between Atlantic Avenue and the Boardwalk, Pacific Avenues and Resort Area Parks. The positive reaction to the pilot program resulted in a long-term agreement being met in November 2022. Due to cost increases direct result of labor cost and inflation, increased funding is needed to ensure staffing needs for this program are met. |
| ↑ | Convention Center Access Control Officer \$142,301 | The Convention Center Access Control Officer manages the loading area and rear of the building during events at the Convention Center. Increased funding will allow for security to be provided for all events at the Convention Center. This service was provided prior to the pandemic but has not been provided in recent years. With more events occurring post pandemic, this needed service once again exists. The cost of this proposal will be offset by event fees charged to rent the Convention Center |
| ↑ | Department Specific General Fund Revenue \$464,197 | Events from the Convention Center have recovered and are projected to be in line with pre-pandemic collection rates. Due to this recovery, projected revenues are estimated grow. These revenues make up 39% of the Convention and Visitor’s Bureau’s total budget. The growth seen from these revenues reduces the reliance on general government support. |

Department Organization Chart



City Of Virginia Beach, Virginia
Convention and Visitor's Bureau - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Marketing | 16,003 | 26,702 | 25,702 | (1,000) |
| Tourism Marketing | 375,671 | 462,160 | 484,099 | 21,939 |
| Special Events | 51,700 | 151,516 | 153,038 | 1,522 |
| Sports Marketing | 598,457 | 702,036 | 788,210 | 86,174 |
| Convention Marketing | 1,088,918 | 1,102,538 | 1,152,386 | 49,848 |
| General Operating Expenses | 7,376,778 | 8,377,331 | 8,767,406 | 390,075 |
| Total Expenditures | 9,507,526 | 10,822,283 | 11,370,841 | 548,558 |

| | | | | |
|--|------------------|------------------|------------------|----------------|
| Revenue | | | | |
| Charges for Services | 800,459 | 929,000 | 1,001,396 | 72,396 |
| Permits, Fees, and Regulatory Licenses | - | 1,750 | 1,750 | - |
| Miscellaneous Revenue | 1,339,000 | 1,351,140 | 1,674,941 | 323,801 |
| From the Use of Money and Property | 1,761,341 | 1,700,000 | 1,768,000 | 68,000 |
| Total Revenues | 3,900,801 | 3,981,890 | 4,446,087 | 464,197 |
| General City Support | 5,606,725 | 6,840,393 | 6,924,754 | 84,361 |

FD240: Tourism Advertising Program Special Revenue Fund

| | | | | |
|------------------------------|-------------------|-------------------|-------------------|------------------|
| Expenditures | | | | |
| Marketing | 10,104,720 | 11,094,009 | 11,545,096 | 451,087 |
| Tourism Marketing | 509,937 | 698,203 | 698,203 | - |
| Visitor's Information Center | 579,539 | 546,630 | 592,358 | 45,728 |
| Sports Marketing | 904,261 | 1,250,781 | 1,250,781 | - |
| Convention Marketing | 628,264 | 1,188,312 | 1,251,832 | 63,520 |
| General Operating Expenses | 413,956 | 1,333,898 | 2,359,833 | 1,025,935 |
| Total Expenditures | 13,140,677 | 16,111,833 | 17,698,103 | 1,586,270 |

| | | | | |
|------------------------------------|-------------------|-------------------|-------------------|------------------|
| Revenue | | | | |
| Charges for Services | 5,600 | 4,000 | 4,000 | - |
| Miscellaneous Revenue | 1,215 | - | - | - |
| From the Use of Money and Property | 157,737 | 49,100 | 49,100 | - |
| Specific Fund Reserves | - | 16,332 | 418,135 | 401,803 |
| Total Revenues | 164,552 | 69,432 | 471,235 | 401,803 |
| General City Support | 12,976,125 | 16,042,401 | 17,226,868 | 1,184,467 |

FD241: Tourism Investment Program Special Revenue Fund

| | | | | |
|----------------------------|-------------------|-------------------|-------------------|----------------|
| Expenditures | | | | |
| Marketing | 20,272 | - | - | - |
| Special Events | 10,540,796 | 11,324,480 | 12,134,727 | 810,247 |
| General Operating Expenses | 560,280 | 497,410 | 581,614 | 84,204 |
| Total Expenditures | 11,121,347 | 11,821,890 | 12,716,341 | 894,451 |

City Of Virginia Beach, Virginia
Convention and Visitor's Bureau - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Revenue | | | | |
| Charges for Services | 2,620 | - | - | - |
| Permits, Fees, and Regulatory Licenses | 81,020 | 1,778 | 1,778 | - |
| Miscellaneous Revenue | 180,295 | - | - | - |
| From the Use of Money and Property | 858,515 | 886,250 | 886,250 | - |
| Total Revenues | 1,122,450 | 888,028 | 888,028 | - |
| General City Support | 9,998,897 | 10,933,862 | 11,828,313 | 894,451 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Tourism Marketing | 4.00 | 4.00 | 4.00 | - |
| Special Events | - | 2.00 | 2.00 | - |
| Sports Marketing | 6.00 | 7.00 | 8.00 | 1.00 |
| Convention Marketing | 10.00 | 10.00 | 10.00 | - |
| General Operations | 71.89 | 68.89 | 66.89 | (2.00) |
| General Fund Positions | 91.89 | 91.89 | 90.89 | (1.00) |

FD240: Tourism Advertising Program Special Revenue Fund

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Position Summary | | | | |
| Marketing | 11.00 | 11.00 | 12.00 | 1.00 |
| Visitor's Information Center | 6.39 | 5.39 | 5.39 | - |
| General Operations | - | 1.00 | 1.00 | - |
| General Fund Positions | 17.39 | 17.39 | 18.39 | 1.00 |

FD241: Tourism Investment Program Special Revenue Fund

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Position Summary | | | | |
| Special Events | 10.00 | 10.00 | 10.00 | - |
| Tourism Investment Program Special Revenue Fund Positions | 10.00 | 10.00 | 10.00 | - |
| Total Positions | 119.28 | 119.28 | 119.28 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

COURTS AND COURT SUPPORT



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

Department Overview

Courts and Court Support is comprised of six divisions, each with responsibilities focused on different aspects of the local judicial process. Each division has a separate state and city budget, as the State provides a large portion of the total funding for each court. 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. The Circuit Court stands as the sole institution authorized to conduct jury trials, necessitating the attendance of the public at designated times. This court has jurisdiction over all felonies and misdemeanors originating from grand jury indictments and can hear appeals from the General District and Juvenile and Domestic Relations District Courts.

Virginia Beach General District Court

The Virginia Beach General District Court 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

The Virginia Beach Juvenile and Domestic Relations District Court 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

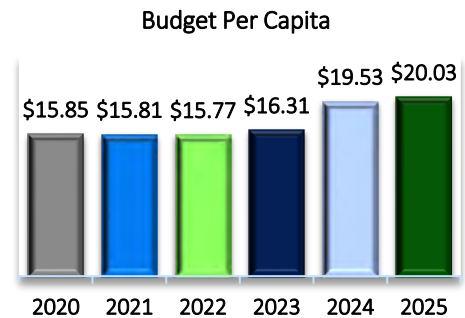
The Clerk's office serves as the keeper of vital documents recorded in the locality, some of which are deeds, deeds of trust, plats, power of attorney, Certificate of Release or Discharge from Active Duty (DD-214s), financing statements, judgments, notary applications, and business names. The Clerk of Circuit Court also oversees seven judges with dockets that consist of name changes, adoption, divorce, civil suits, complex criminal matters, and all 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, emergency protective orders, and more. Magistrates issue arrest and search warrants and can set bail or commit individuals to custody following an arrest.

Juvenile Probation

This unit provides supervision and service referrals 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 table below illustrates how the Departments have been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|----------------|-----------------|
| Number of hearings in the General District court | - | 120,496 | 140,667 | 141,000 | 141,000 |
| Percent of youth assessed for detention | 89% | 100% | 100% | 100% | 100% |
| Number of youths receiving supervision or unofficial counseling | 284 | 260 | 280 | 230 | 300 |
| Number of deeds recorded | 87,657 | 63,379 | 52,800 | 60,000 | 63,000 |
| New cases commenced in Circuit Court | 12,451 | 19,655 | 24,108 | 25,000 | 25,000 |

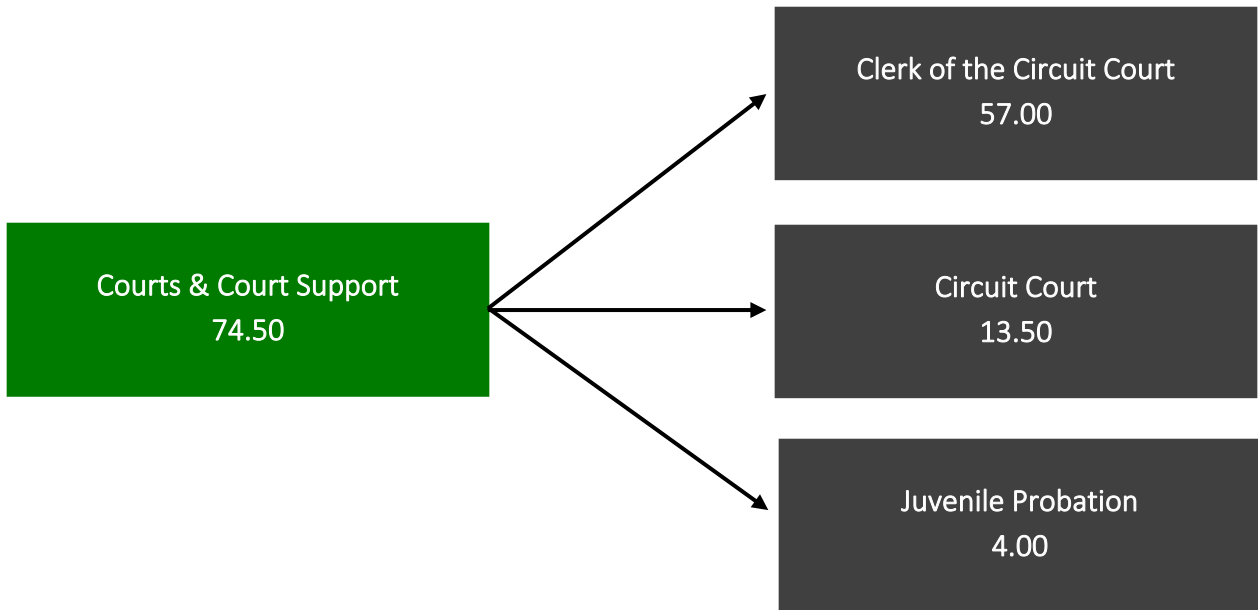
In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| The City's overall efforts to prevent crime | 65.9% | 57.8% | 50.4% |
| Enforcement of local traffic laws | 56.5% | 61.0% | 50.6% |
| Overall quality of City customer service | 73.0% | 38.0% | 40.6% |

Trends and Issues

- Juvenile Probation: There has been an increase in both juveniles charged with firearm offenses and school-related threats. Due to increased numbers of children before the court needing intensive supervision through GPS monitoring and shelter care placements, expenditures for these services have increased.
- The Juvenile and Domestic Relations District Court is waiting for the Judicial Workload Study to be completed in 2024 to further determine whether an additional judge is needed in the court. A seventh judge would allow litigants to have their cases heard in a timelier manor and would be in line with recommended guidelines.
- In the FY 2021-22 budget, the City established a Memorandum of Understanding (MOU) in which the City would provide funding salary supplements for state employees of the Juvenile and Domestic Relations Court (\$44,000) and the General District Court (\$69,600) to address the high turnover rate by providing a retention incentive for court Clerks. Staff reviewed the MOU and renewed the funding for the FY 2022-23, 2023-24, and FY 2024-25 budgets.

Department Organization Chart



City Of Virginia Beach, Virginia
Courts and Court Support - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY2024 |
|--|----------------------|-----------------------|------------------------|-------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Clerk of the Circuit Court | 4,441,929 | 4,984,285 | 5,284,832 | 300,547 |
| Circuit Court | 1,389,165 | 1,597,600 | 1,654,421 | 56,821 |
| General District Court | 450,518 | 531,845 | 491,097 | (40,748) |
| Juvenile and Domestic Relations District Court | 210,412 | 217,841 | 195,199 | (22,642) |
| Juvenile Probation | 893,661 | 1,476,718 | 1,416,434 | (60,284) |
| Magistrates | 40,008 | 48,573 | 43,982 | (4,591) |
| Total Expenditures | 7,425,692 | 8,856,862 | 9,085,965 | 229,103 |
| Revenue | | | | |
| Clerk of the Circuit Court | 2,730,097 | 2,807,673 | 3,143,680 | 336,007 |
| General District Court | 97,791 | 132,020 | 132,020 | - |
| Juvenile and Domestic Relations District Court | 28,616 | 55,000 | 55,000 | - |
| Total Revenues | 2,856,504 | 2,994,693 | 3,330,700 | 336,007 |
| General City Support | 4,569,188 | 5,862,169 | 5,755,265 | (106,904) |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Clerk of the Circuit Court | 57.00 | 57.00 | 57.00 | - |
| Circuit Court | 13.50 | 13.50 | 13.50 | - |
| Juvenile Probation | 4.00 | 4.00 | 4.00 | - |
| General Fund Positions | 74.50 | 74.50 | 74.50 | - |
| Total Positions | 74.50 | 74.50 | 74.50 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

CULTURAL AFFAIRS



The mission of the Virginia Beach Cultural Affairs Department is to engage residents and visitors through meaningful arts, heritage and cultural experiences to connect and strengthen communities.

Department Overview

The Cultural Affairs Department achieves its mission in multiple ways: public art, visual, performing, and cultural programming; the operations of the history museums; and serving as a resource for and liaison to the many cultural organizations serving in Virginia Beach. This is done in concert with the Virginia Beach Arts and Humanities Commission, which provides grants to local nonprofit organizations, and through the work of its Cultural Equity and Public Art committees. Cultural Affairs is responsible for multiple components of City Council’s Focused Action Plan for FY2024-25. The Department’s focus areas include:

- 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, Virginia MOCA (Museum of Contemporary Art), Virginia 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 roughly two dozen nonprofit arts and cultural organizations through the Arts and Humanities Commission.
- Administering city grants to the Virginia Museum of Contemporary Art for utilities, and state grant to Virginia African American Cultural Center.
- Providing support to the Boardwalk Art Show funded by the Tourism Investment Program fund, and to Atlantic Wildfowl Museum/deWitt Cottage, Ferry Plantation, Surf & Rescue Museum, and Whitehurst- Buffington House, all of which are supported through the Heritage CIP Project 100203 administered by Public Works.
- Expanding opportunities for people to engage with art in its myriad forms at varied locations throughout the city.
- Operating the City-owned Historic Houses and Museums including the Francis Land House, Lynnhaven House, Thoroughgood House, and the 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 and are supported by a 501c3 nonprofit, as well as the General Fund.
- Facilitating the work of the 5/31 Memorial Committee.
- Engaging the community in cultural equity initiatives.

Budget Per Capita



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|-------------|--------------|
| Programs funded by the Arts and Humanities Commission | 646 | 799 | 901 | 992 | 685 |
| Event days at the Sandler Center | 83 | 450 | 341 | 355 | 355 |
| Attendees at Sandler Center events | 15,177 | 106,698 | 138,467 | 155,000 | 155,000 |
| Visitors to the History Museums | 408 | 5,578 | 6,307 | 6,000 | 6,000 |
| Event days at the History Museums | 3 | 35 | 66 | 50 | 50 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings. The four metrics listed without regional comparison are the resident responses indicating the service as “Excellent” or “Good.”

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of services provided by the City | 70.1% | 42.9% | 50.5% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Availability of arts & cultural programs in Virginia Beach | 64.7% | - | - |
| Availability of culturally diverse art & cultural programs in Virginia Beach | 52.5% | - | - |
| Quality of arts & cultural programs in Virginia Beach | 57.4% | - | - |
| Quality of City entertainment venues | 63.6% | - | - |

Trends and Issues

→ Arts and Humanities Commission Grants

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 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 2023-24 (as of February 2024):

Leadership & Organizational Development Grants: *Received one grant application and awarded one grant. This grant has a rolling submission deadline with applications accepted throughout the year.*

| | |
|---------------------------|--------------|
| Green Storytelling | \$750 |
| TOTAL | \$750 |

Community Cultural Arts Grants (culturally specific non-profits): *Received four grant applications and awarded one grant, with one for \$4,687.50 to be voted on in March 2024. This grant has a rolling submission deadline with applications accepted throughout the year.*

| Organization | Amount |
|-----------------------------------|----------------|
| Virginia Beach Library Foundation | \$3,900 |
| TOTAL | \$3,900 |

Project grants in FY 2023-24: *Received 22 grant applications and awarded 22 grants. Total requested funding was \$756,007. This grant has a fixed submission deadline with applications accepted and awarded once a year.*

| Organization | Amount | Organization | Amount |
|---|----------|---|------------------|
| Access Virginia | \$3,000 | Virginia African American Cultural Center | \$12,500 |
| Ballet Virginia International | \$50,000 | Virginia Arts Festival | \$10,000 |
| Governor's School for the Arts Foundation | \$3,000 | Virginia Beach Art Center | \$22,000 |
| Hurrah Players | \$35,000 | Virginia Beach Chorale | \$2,000 |
| Little Theatre of Virginia Beach | \$27,000 | Virginia Musical Theatre | \$100,000 |
| Mosaic Steel Orchestra, Inc | \$5,000 | Virginia Stage Company | \$5,000 |
| Symphonicity | \$91,200 | Virginia Symphony Orchestra | \$60,200 |
| Teens With a Purpose - The Youth Movement | \$26,000 | WHRO: Curate | \$5,000 |
| Tidewater African Cultural Alliance | \$6,000 | Young Audiences of Virginia (dba Arts 4 Learning) | \$10,000 |
| Tidewater Arts Outreach | \$15,000 | Zeiders American Dream Theater | \$55,000 |
| United Jewish Federation of Tidewater | \$10,000 | | |
| ViBe Creative District | \$71,200 | TOTAL: | \$624,100 |

*Not all requests were fully funded.

→ **Inclusive Arts Programming**

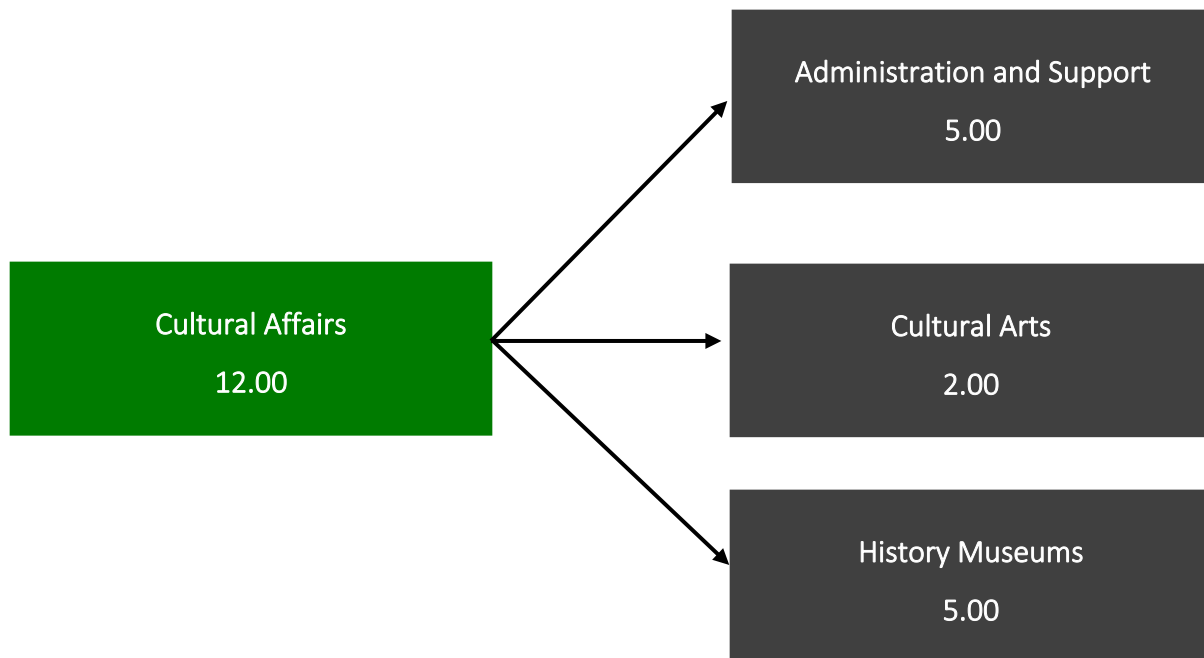
The Department of Cultural Affairs continues to remain committed to diversity, equity, and inclusion through the arts and multi-cultural programming. The Arts & Humanities Commission's Public Art Committee and Cultural Equity Committee adhere to equity statements to ensure accessibility of funding for diverse communities. The department is engaged in partnerships with Teens with a Purpose and Norfolk State University, creating dynamic relationships with Princess Anne County Training School/Union Kempsville High School Museum (PACTS-UKHS), including an innovative poetry program for youth, as well as expanding a Black History Month panel discussion into a year-round series, both initiatives involving PACTS alumni. Juneteenth was celebrated with multiple arts programs at locations

throughout the City, and VBGIGS (Virginia Beach Globally Inspired Gatherings) returned with a series of free and low-cost public performances taking place throughout the City in public spaces and performance venues. In alignment with the City’s arts strategic plan, [Arts Plan 2030](#), VBGIGS aims to bring world-class, culturally rooted performing artists to Virginia Beach residents in their neighborhoods and nearby venues.

→ **Expansion of Engagement with Historic Sites**

Since the Department of Cultural Affairs assumed responsibility for the Virginia Beach History Museums, shortly before the pandemic, the Department has looked for ways to increase revenue generating opportunities at the sites and grow visitation through public programming. This has included Ghost Tours at Thoroughgood House, a series of teas at Lynnhaven Colonial Education Center, and events produced with the PACTS-UKHS alumni on Veterans Day and Juneteenth to drive visitation to the PACTS-UKHS Museum at Renaissance Academy. Additionally, staff have worked on collecting oral histories to be used in virtual programming and expand reach beyond the walls of the museums. A comprehensive interpretive plan for the historic sites was completed with stakeholder involvement that can be used as a roadmap for the future of the sites.

Department Organization Chart



City Of Virginia Beach, Virginia
Cultural Affairs and Historic Houses - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Museum of Contemporary Arts-Education Grant | 115,000 | 115,000 | 115,000 | - |
| Art and Humanities | 578,459 | 655,000 | 585,000 | (70,000) |
| Administration | - | - | - | - |
| General Operating Expenses | 2,268,082 | 2,715,605 | 2,786,641 | 71,036 |
| Total Expenditures | 2,961,541 | 3,485,605 | 3,486,641 | 1,036 |
| Revenue | | | | |
| Charges for Services | 36,462 | 26,000 | 26,000 | - |
| Miscellaneous Revenue | 4,500 | - | - | - |
| From the Use of Money and Property | 23,638 | 57,500 | 32,500 | (25,000) |
| Revenue from the Commonwealth | - | 4,500 | 4,500 | - |
| Total Revenues | 64,600 | 88,000 | 63,000 | (25,000) |
| General City Support | 2,896,941 | 3,397,605 | 3,423,641 | 26,036 |

FD241: Tourism Investment Program Special Revenue Fund

| | | | | |
|---|----------------|----------------|----------------|----------|
| Expenditures | | | | |
| Museum of Contemporary Arts-Education Grant | - | - | - | - |
| General Operating Expenses | 595,500 | 520,500 | 520,500 | - |
| Total Expenditures | 595,500 | 520,500 | 520,500 | - |
| Revenue | | | | |
| Total Revenues | - | - | - | - |
| General City Support | 595,500 | 520,500 | 520,500 | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 12.00 | 12.00 | 12.00 | - |
| Total Positions | 12.00 | 12.00 | 12.00 | - |

The reduction of \$70,000 in Arts is Humanities is the elimination of a one-time increase provided in FY 2023-24's Budget.

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

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 enhanced existing businesses. This will lead to the creation of quality jobs, higher wages, and lower tax rates, as well as encourage the retention and expansion of activities and enhance 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 and, 3) revenue growth to fund city services.

Economic Development Administration and Staff

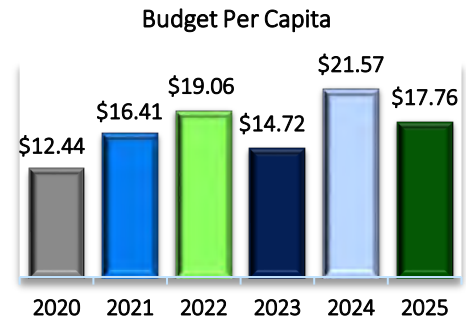
Staff work to expand and diversify the tax base and employment opportunities for the city through business development. They work closely with the business community to provide site selection, market information, financial guidance, and business assistance. Regular assessments of market needs are evaluated 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.

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 Virginia Beach City Public Schools (VBCPS) and community partners to ensure children’s healthy development and access to high-quality education in the first five years of life, which prepares them to be ready to learn and succeed in school. The local colleges and exiting members of the military provide talented individuals to meet the employment needs of the business community. Economic Development 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 in the city’s Capital Improvement Program. The funding source for this program is a dedication of 16 cents of the cigarette tax. Economic Development staff provides support and implements decisions made by the VBDA. Financial accounting responsibilities have transitioned to the Department of Finance.



Note: The increase in FY 2023-24 is due to the Town Center SSD now being reflected in Economic Development. The reduction in FY 2024-25 is due to the Parking Enterprise Fund being moved to Public Works and SGA moving to Planning.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|----------------|-----------------|
| Language Environment Analysis Start program families | 57 | 78 | 100 | 100 | 100 |
| Existing companies expanded | 8 | 11 | 10 | 4 | 10 |
| Façade Improvement Grant | NA | 17 | 13 | 16 | 16 |
| New companies located in Virginia Beach | 6 | 16 | 15 | 7 | 8 |
| Existing company prospects | 15 | 49 | 50 | 50 | 50 |
| New company prospects | 26 | 26 | 35 | 40 | 30 |
| Value of new capital investment (millions) | \$215 | \$286 | \$300 | \$600 | \$350 |
| New employment opportunities created | 1,008 | 800 | 900 | 1,350 | 1350 |
| Business Workshops Held | N/A | N/A | 152 | 172 | 185 |
| One-on-One Counseling | N/A | N/A | 848 | 864 | 875 |
| Business Plans Completed | N/A | N/A | 100 | 300 | 320 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73% | 38% | 40.6% |
| Overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |
| As a place to live | 89.7% | 60% | 49.7% |
| Overall Image of the City | 80.2% | 67.3% | 55% |
| Feeling of safety in retail areas | 62.9% | 68.1% | 65.5% |
| How well is the City managing growth | 31.6% | 34.6% | 39.7% |

Trends & Issues

→ Offshore Wind

Dominion Energy's two wind-turbine pilot program was completed in October 2020, and the company is now preparing for a major multi-billion-dollar, 200+ wind turbine project. With construction of the larger project beginning in 2024, Economic Development's focus has been on building the supply chain, workforce training, and helping to ensure that appropriate sites for infrastructure are available from Virginia Beach's shores to the grid. The timeframe and support from Economic Development for this initiative will overlap with Dominion's wind turbine project.

Economic Development staff met with the Kempsville Entrepreneurial Academy to discuss the concept of an Offshore Wind Industry course that could generate student interest in higher education curriculum and advanced manufacturing jobs. Work will continue to develop the curriculum as an anticipated part of the 2024-2025 school year.

→ Sites and Buildings

Subsea Cable and Data Center real estate specialists continue to inquire about sites in Virginia Beach, looking for a total of 500 acres for development. Warehousing and logistics companies also are looking for large acreage for new facilities due to changing needs generated by the “New Normal” opportunities, including a Fortune 500 company. Because the Development Authority can acquire property for commercial development, the City is able to maintain an inventory of various sites that offer companies a range of choices in our community. Considering public and private partnerships for construction of speculative buildings may also be a way to ensure that companies located in the city continue to expand and that the city remains attractive to new businesses. Continue working with NAS Oceana to identify, market, and develop underutilized land in and around the installation for new commercial development through the Future Base Design Initiative. Approximately 1,000 acres of underutilized land has been identified thus far. Of that, a little more than 400 acres around the installation is classified as developable and site ready.

→ Hive

The Virginia Beach HIVE in Town Center held its grand opening in August 2021. The HIVE is designed to support an innovative and entrepreneurial ecosystem in Hampton Roads through collaboration with the City of Virginia Beach, academic institutions, other cities in Hampton Roads, Small Business Associations, and other amount of Capital Investment entrepreneurial-related organization. The HIVE is committed to serving small businesses particularly those that are in socially and economically disadvantaged communities.

The goal is to foster an environment of growth and success for existing businesses and entrepreneurs by:

- Supporting youth entrepreneurship programs at the local level to foster a culture of innovation and cultivate an entrepreneurial spirit which is important for helping the city’s low-income and minority youth to develop skills and knowledge that will support their future success and benefit their community
- Increasing efforts to reach out to women-owned firms and minority-owned businesses and offer assistance for growth and expansion
- Developing new initiatives and programs with business resource partners to assist existing small businesses and startups
- Offering events/trainings and workshops with the HIVE business resource partners
- Forging partnerships with educational institutions and offering certifications trainings
- Offering one-on-one financial counseling and other business assistance
- Developing partnerships with military employment stakeholders and assistance to veteran businesses and military spouse entrepreneurs

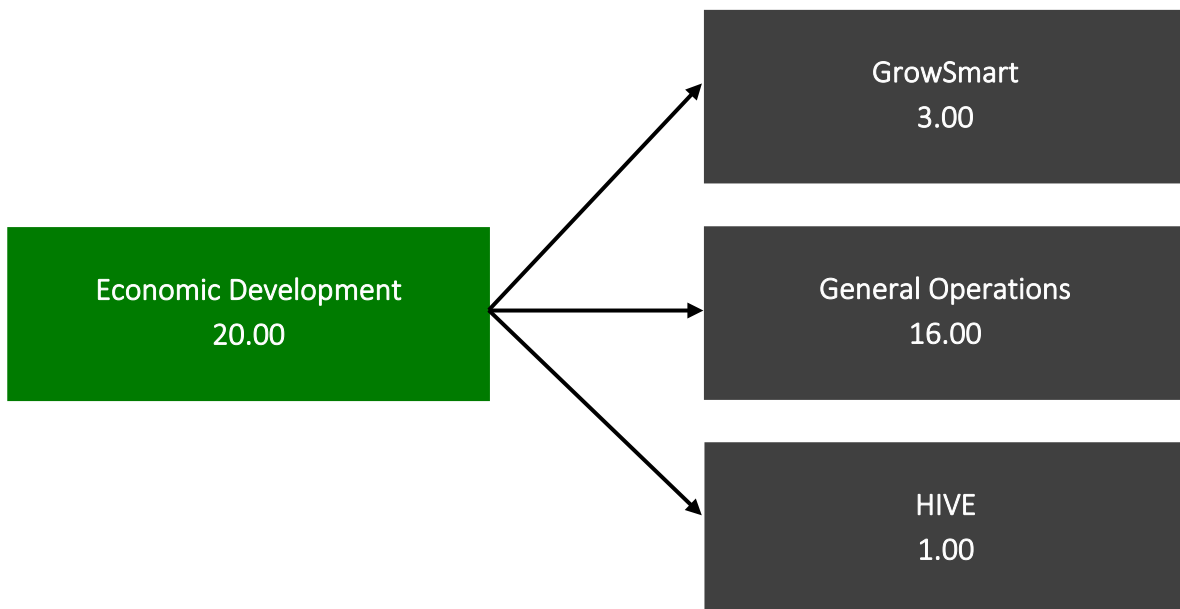
→ Town Center

Over the last 20 years, Virginia Beach Town Center has evolved into a vibrant urban center, attracting residents, businesses, and visitors alike. The development has been a focal point for economic growth and has contributed to the city's efforts to create a more dynamic and diverse urban environment. The funding mechanism that has historically supported the infrastructure development of Town Center is the Central Business District Tax Increment Financing Fund (TIF) and Town Center Special Services District (SSD). As 20 year debt is retired with the TIF, capacity is projected to exist for future obligation.

Major Budget Changes

| | Change | Impact |
|---|--|---|
| ↔ | Small Business Grant Program | Obligation of funding within the Economic Development Investment Program (EDIP) to create funding opportunity for smaller businesses for a variety of uses including working capital, equipment purchases, business vehicle purchases, pay down high-interest loans, business expansion, and real estate acquisition. |
| ↓ | Bio-Medical Initiative (\$1,000,000) | The Bio-Medical Initiative was established in FY 2015-16 for a bio-medical industry business development program and eventually a Bio Park near Princess Anne Commons. With other areas of initiatives becoming the primary focus of Economic Development the continued investment of this amount is no longer needed. |
| ↔ | Parking Enterprise Operations (\$6,220,186) 7.0 FTEs | This change is a movement of funds from Economic Development to Public Works to more accurately reflect how the Parking operations are to be managed going forward. Realignment of associated operations began in FY 2023-24. This does not change the function of the Parking Enterprise Fund, but simply reflects the parking enterprises reallocations to the department of Public Works |
| ↔ | Staffing Realignment (\$424,247) 6.0 FTEs | Reorganization to align staffing more effectively with core function of partner departments. Six FTEs associated with the Strategic Growth Areas are moving to the Planning department. One FTE is moving to Finance to assist with accounting associated with the Virginia Beach Development Authority. |

Department Organization Chart



City Of Virginia Beach, Virginia
Economic Development - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Eastern Virginia Regional Industrial Facilities Authority | - | - | 4,000 | 4,000 |
| Economic Development Investment Program | - | - | - | - |
| The Hive | - | 144,067 | 146,358 | 2,291 |
| GrowSmart | 496,540 | 453,115 | 445,265 | (7,850) |
| General Operating Expenses | 6,562,949 | 5,537,852 | 4,187,413 | (1,350,439) |
| Total Expenditures | 7,059,488 | 6,135,034 | 4,783,036 | (1,351,998) |

| | | | | |
|--|------------------|------------------|------------------|--------------------|
| Revenue | | | | |
| Permits, Fees, and Regulatory Licenses | 1,050 | - | - | - |
| Revenue from the Commonwealth | 118,393 | - | - | - |
| Total Revenues | 119,443 | - | - | - |
| General City Support | 6,940,046 | 6,135,034 | 4,783,036 | (1,351,998) |

FD540: Parking Enterprise Fund

| | | | | |
|--|------------------|------------------|----------|--------------------|
| Expenditures | | | | |
| Retiree Health Insurance | 5,492 | - | - | - |
| Economic and Tourism General Government Capital Project (GGCP) | 1,500,000 | 500,000 | - | (500,000) |
| General Operating Expenses | 5,407,275 | 5,720,186 | - | (5,720,186) |
| Total Expenditures | 6,912,766 | 6,220,186 | - | (6,220,186) |

| | | | | |
|--|------------------|------------------|----------|--------------------|
| Revenue | | | | |
| Charges for Services | 5,301,424 | 5,054,886 | - | (5,054,886) |
| Permits, Fees, and Regulatory Licenses | 115,458 | 99,000 | - | (99,000) |
| Fines and Forfeitures | 498,720 | 541,000 | - | (541,000) |
| From the Use of Money and Property | 93,807 | 80,000 | - | (80,000) |
| Specific Fund Reserves | - | 373,300 | - | (373,300) |
| Transfer In | 68,500 | 72,000 | - | (72,000) |
| Total Revenues | 6,077,909 | 6,220,186 | - | (6,220,186) |
| General City Support | 834,857 | - | - | - |

FD251: Town Center Special Service District Fund

| | | | | |
|--|----------------|------------------|------------------|--------------|
| Expenditures | | | | |
| Street Sweeping | - | - | 31,000 | 31,000 |
| Special Zones Management | - | - | 40,250 | 40,250 |
| Economic and Tourism General Government Capital Project (GGCP) | - | 502,726 | 502,726 | - |
| General Operating Expenses | 245,936 | 3,225,980 | 3,159,050 | (66,930) |
| Total Expenditures | 245,936 | 3,728,706 | 3,733,026 | 4,320 |

| | | | | |
|------------------------------------|---|---------|---------|---|
| Revenue | | | | |
| Charges for Services | - | 194,300 | 194,300 | - |
| From the Use of Money and Property | - | 365,500 | 365,500 | - |

City Of Virginia Beach, Virginia
Economic Development - Departmental Resource Summary

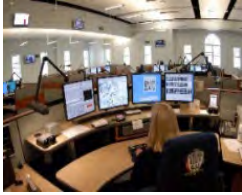
| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Transfer In | - | 150,000 | 150,000 | - |
| Total Revenues | - | 709,800 | 709,800 | - |
| General City Support | 245,936 | 3,018,906 | 3,023,226 | 4,320 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| The Hive | - | 1.00 | 1.00 | - |
| GrowSmart | 3.00 | 3.00 | 3.00 | - |
| General Operations | 23.00 | 22.00 | 16.00 | (6.00) |
| General Fund Positions | 26.00 | 26.00 | 20.00 | (6.00) |

| | | | | |
|--|--------------|--------------|--------------|----------------|
| FD540: Parking Enterprise Fund | | | | |
| Position Summary | | | | |
| General Operations | 7.00 | 7.00 | - | (7.00) |
| Parking Enterprise Fund Positions | 7.00 | 7.00 | - | (7.00) |
| Total Positions | 33.00 | 33.00 | 20.00 | (13.00) |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

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.

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 organization annual file review and on-site assessment evaluation.

Administration

Provides support for the day-to-day business affairs for ECCS Financials to include budget, procurement, payroll, accounts payable/receivable and human resources. Provides data analysis support by creating and evaluating data to assist with staffing projections, call processing, retention, etc. that provides data visualizations and outcomes.

Training

This includes entry level and classroom training—along with learning and development tracking, and professional development for all ECCS employees. This division also assists with policy development.

Technology and Support

Provides on-site technology support and maintenance of ECCS' business applications to ensure optimal operation to enable ECCS to provide services efficiently and effectively. The support division oversees on-going hiring, community outreach, and public education.

Budget Per Capita



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|---------|-------------|--------------|
| Average wait time for VB 3-1-1 calls (in seconds) | 23.0 | 60 | 21 | 17 | 30 | 30 |
| 3-1-1 online inquiries | 10,170 | 9,163 | 12,506 | 11,048 | 10,722 | 10,722 |
| Service requests handled for City agencies | 11,000 | 11,771 | 10,408 | 10,025 | 10,801 | 10,801 |
| Total incoming calls to VB 9-1-1 | 636,324 | 625,688 | 635,756 | 611,041 | 627,202 | 627,202 |
| Public safety calls received and dispatched | 424,806 | 403,428 | 411,051 | 416,542 | 413,957 | 413,957 |
| 9-1-1 average wait time (in seconds) | 15 | 16.3 | 21 | 23 | 19 | 19 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Overall quality of customer service received from City employees | 73% | 38% | 40.6% |
| Response time for ambulances/emergency medical services | 87% | 72.4% | 14.6% |
| Response time for police services | 70.1% | 42.9% | 27.2% |
| Response time for fire services | 89.7% | 79.2% | 73.1% |

Trends & Issues

- Emergency Communications and Citizen Services (ECCS), in conjunction with Information Technology, have been working on the deployment of Next Generation 9-1-1 (ESInet) that is part of a state initiative to replace legacy telephone infrastructure with IP-based technology. This will provide additional benefits to those who contact 9-1-1 the ability to transfer calls to the proper jurisdiction based on location tracking. This technology needs to be fully deployed no later than December 31, 2024, to meet the current legislative deadline. ECCS plans to have the deployment of ESInet in place by April 1, 2024. ESInet, along with several other budget items this fiscal year, are part of a targeted effort to equip ECCS with the technological tools it needs to thrive in the twenty-first century.
- In conjunction with the Next Generation 9-1-1 project, ECCS has been working on a major upgrade of its Motorola Vesta software, which distributes incoming emergency and non-emergency calls to 9-1-1 staff. One component of the upgraded Vesta system is a “Command Post” mobile call-taking system. The equipment fits inside a pelican case and can easily be transported to remote locations, providing the ability to answer both emergency and non-emergency calls wherever the user can access the internet via a virtual private network connection back to the servers. Other features involve automatic abandoned call back, cybersecurity, mapping, smart transcription, and citizen input, resulting in improved services to residents and visitors of the City.

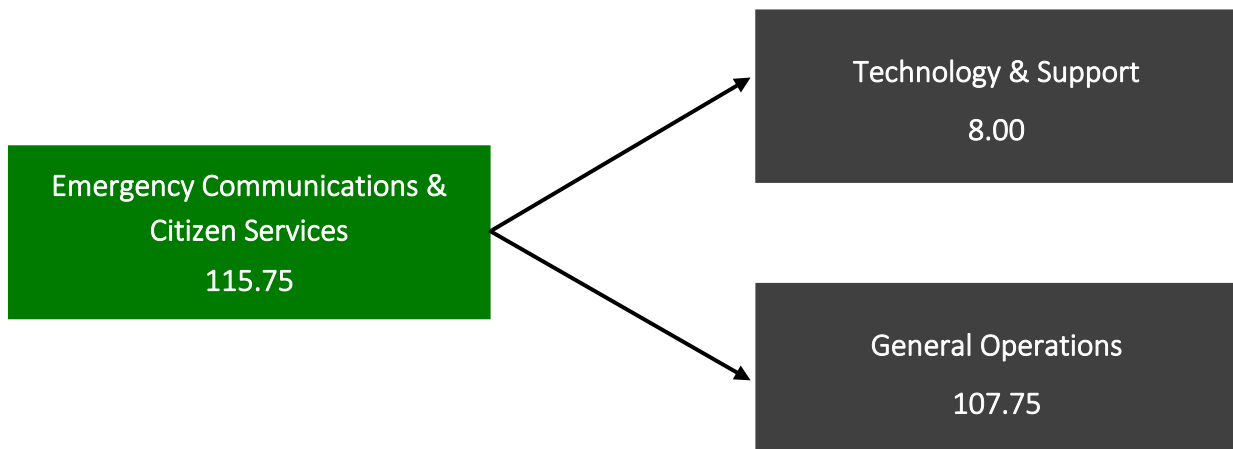
- To address long-term vacancies Emergency Communications and Citizen Services (ECCS) developed a recruitment and retention program. Launched in December 2021 with progressive hiring bonuses up to \$5,000 based on required career progression for 9-1-1 operational staff, this program utilizes vacancy savings to support career progression tracks and hiring sign-on bonuses, as well as additional financial incentives provided for training and completion of higher education. In a change from previous years, appreciation bonuses for staff were eliminated when the market salary adjustment for the 9-1-1/3-1-1 positions was performed in January of 2024.
- Equipment replacement of the Xybix desk consoles currently in use by Emergency Communications and Citizen Services is funded through the Public Safety CIP project. The furniture is past its useful life expectancy, and downed stations impact service delivery efforts. Phase 1 of furniture replacement for 9-1-1 desk consoles replacement is scheduled for March 18th, 2024, followed by Phase 2 and 3 beginning mid-May of 2024.

→ *Major Budget Changes*

| | Change | Impact |
|---|--|--|
| ↓ | 17 FTE Reduction \$1,106,502 17.0 FTEs | 17 long term vacant positions within the ECCS department were eliminated this fiscal year, freeing up the associated funds for use elsewhere within the organization. The positions consisted of 12 Public Safety Emergency Telecommunicators (PSETs) and 5 Public Safety Emergency Call Takers (PSECs). PSET and PSEC classifications are both entry-level positions within the ECCS department that are the point of contact for public safety operations and services via phone, text, and radio dispatching. |

| | Change | Impact |
|---|-------------------------------------|---|
| ↑ | Technology Support \$297,000 | ECCS is receiving funding to support upgrades and improvements to its technological infrastructure in FY 2024-25. This includes enhancements to the Neptune Intelligence Computer Engineering (NICE) system for simultaneous recording at the ECCS headquarters and a backup facility, VESTA call taking software upgrades as part of the Commonwealth of Virginia’s Next Generation 9-1-1 (NG911) initiative, and implementation of an AI product to answer some non-emergency calls, freeing up call takers and dispatchers for work on more pressing situations. |

Department Organization Chart



City Of Virginia Beach, Virginia
Emergency Communications and Citizen Services - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Training, Learning, and Development | 96,086 | 101,205 | 101,292 | 87 |
| Technology and Support | 831,482 | 1,129,074 | 894,401 | (234,673) |
| General Operating Expenses | 9,774,803 | 10,847,148 | 11,891,664 | 1,044,516 |
| Total Expenditures | 10,702,370 | 12,077,427 | 12,887,357 | 809,930 |

| | | | | |
|-----------------------------|-------------------|-------------------|-------------------|----------------|
| Revenue | | | | |
| Charges for Services | 65 | - | - | - |
| Transfer In | 141,396 | 141,396 | 141,396 | - |
| Total Revenues | 141,461 | 141,396 | 141,396 | - |
| General City Support | 10,560,910 | 11,936,031 | 12,745,961 | 809,930 |

FD270: Consolidated Grants Special Revenue Fund

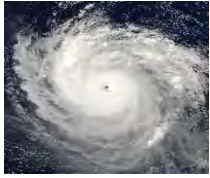
| | | | | |
|----------------------------|--------------|--------------|--------------|--------------|
| Expenditures | | | | |
| General Operating Expenses | 2,994 | 4,000 | 8,000 | 4,000 |
| Total Expenditures | 2,994 | 4,000 | 8,000 | 4,000 |

| | | | | |
|-------------------------------|--------------|--------------|--------------|--------------|
| Revenue | | | | |
| Revenue from the Commonwealth | - | 4,000 | 8,000 | 4,000 |
| Total Revenues | - | 4,000 | 8,000 | 4,000 |
| General City Support | 2,994 | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Technology and Support | 7.00 | 7.00 | 8.00 | 1.00 |
| General Operations | 125.75 | 125.75 | 107.75 | (18.00) |
| Total Positions | 132.75 | 132.75 | 115.75 | (17.00) |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

EMERGENCY MANAGEMENT

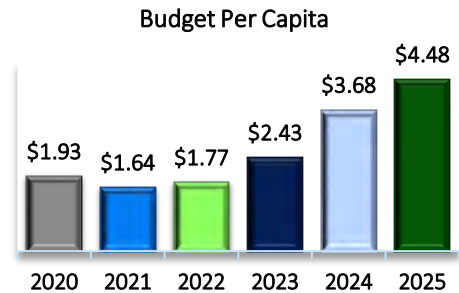


The mission of the Department of Emergency Management and is to build a disaster-resilient City while acting as a national model for others.

Department Overview

The Department of Emergency Management (VBEM) has two divisions: Emergency Management and Security. VBEM is responsible for all citywide emergency initiatives, including maintaining the incident management system, business continuity, community disaster preparedness, enterprise resiliency, supporting natural hazard mitigation, enterprise security, and critical asset protection.

The Director is responsible for strategic oversight of the department and coordinating emergency operations during significant incidents and events as the City's designated Emergency Management Coordinator. A Deputy Coordinator oversees each division, supporting their division's staff as they carry out daily responsibilities.



The large increase from 2023 to 2024 is related to contracted security services being redirected to the Operating Budget from the CIP.

Emergency Management Division

Responsible for emergency preparedness, citywide training and exercises, community outreach, emergency planning, incident management, disaster recovery, supporting natural hazard mitigation, and enterprise resiliency.

Security Division

Responsible for managing the City's physical security program, which oversees workforce security and critical asset protection. The division conducts threat assessments to provide security recommendations and serves as subject matter experts on safety and security measures.

Additionally, VBEM maintains close partnerships with multiple regional, state, federal, and non-profit organizations that enhance their capabilities to maintain essential services. VBEM partnerships include working closely with the Virginia Beach Community Emergency Response Team Foundation (VBCERT) and the Virginia Beach Amateur Radio Club (VBARC). The VBCERT program educates citizens in disaster preparedness, allowing them to assist their communities during large emergencies when professional responders could be delayed. VBARC provides backup emergency communications if a large-scale disaster impacts the City's communication infrastructure and assist with special events throughout the City.

Key priorities include:

- Completing updates to the City's Emergency Operations Plan (EOP)
- Improving technology and data management to strengthen response and recovery capabilities
- Growing community and business outreach to educate residents and businesses on the importance of emergency preparedness
- Expanding the City's internal all-hazards training and exercise program
- Enhancing enterprise resiliency and crisis management capabilities

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|-------------|--------------|
| Completion rate of the Emergency Operating Plan (EOP) including annexes | 100% | 100% | 100% | 100% | 100% |
| All-Hazards Emergency Preparedness presentations given to the community | 1* | 9* | 20 | 25 | 30 |
| Exercises annually that include more than 5 departments | 5 | 8 | 5 | 6 | 10 |
| Number of CERT members trained for support activities in VB | 1,600 | 1,600 | 1,600 | 1,600 | |
| Overall quality of emergency management during a natural or man-made disaster (Good-Excellent) ** | N/A | N/A | 69% | 69% | 75% |

* COVID-19 response and mass vaccination operations impacted outreach presentations.

** Results from the Resident Satisfaction Survey conducted by ETC Institute.

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Efforts to ensure the community is prepared for emergencies/disasters | 70.1% | 42.9% | 43.4% |
| Overall quality of services provided by the City | 70.1% | 42.9% | 50.5% |
| Feeling of safety in the City overall | 80.1% | 71.1% | 68.0% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |

Trends & Issues

→ Technology Enhancements

VBEM continues its multi-year effort to modernize technology and data management to improve information sharing, incident management, situational awareness, community and business engagement, and record keeping. Collaborating closely with Information Technology (IT), VBEM aims to replace outdated, legacy software and systems with modern products that provide a simple, enterprise-wide solution.

→ Resiliency

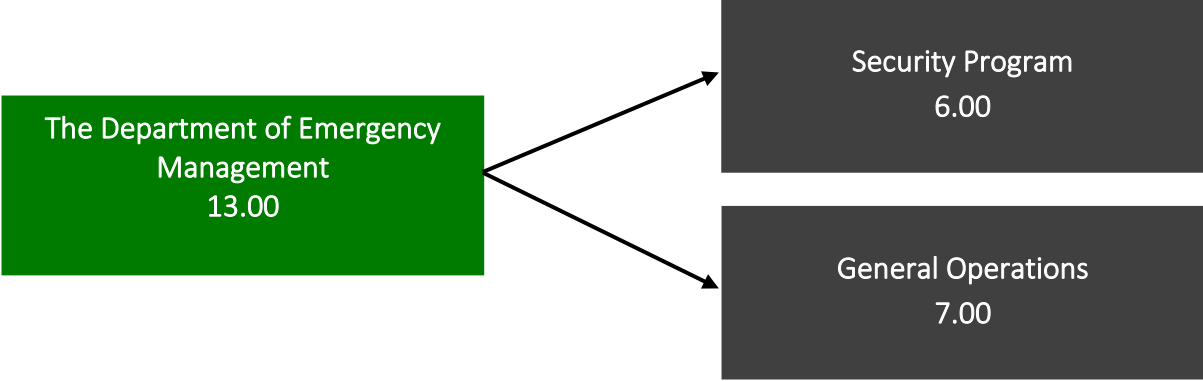
There are several resiliency initiatives VBEM is spearheading to improve the City's ability to adapt to impacts of major emergencies while continuing to deliver essential services, functions, and operations. These initiatives include the development of comprehensive frameworks for community disaster recovery, evacuations, sheltering and mass care, post-disaster housing, enterprise disaster recovery, and continuity of operations.

→ Community and Business Preparedness

VBEM continues expanding and improving emergency preparedness outreach and engagement focusing on preparing residents, visitors, and businesses for the unique hazard landscape of the City. VBEM works with the Communications Office and Economic Development to create Virginia Beach-specific hazard guides, improve crisis

communication capabilities and the preparedness website, create a Business Emergency Operations Center (BEOC) framework, and update the City’s emergency plans to include the Emergency Operations Plan, Recovery Plan, Shelter Plan, Evacuation Framework, and Integrated Preparedness Plan.

Department Organization Chart



**City Of Virginia Beach, Virginia
Emergency Management - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Security | 16,003 | 977,086 | 1,068,045 | 90,959 |
| General Operating Expenses | 1,010,401 | 783,589 | 862,729 | 79,140 |
| Total Expenditures | 1,026,404 | 1,760,675 | 1,930,774 | 170,099 |

| | | | | |
|-------------------------------------|----------------|------------------|------------------|------------------|
| Revenue | | | | |
| Miscellaneous Revenue | - | 2,000 | 2,000 | - |
| Revenue from the Commonwealth | - | 700 | - | (700) |
| Revenue from the Federal Government | 102,914 | 102,914 | 700 | (102,214) |
| Total Revenues | 102,914 | 105,614 | 2,700 | (102,914) |
| General City Support | 923,490 | 1,655,061 | 1,928,074 | 273,013 |

FD270: Consolidated Grants Special Revenue Fund

| | | | | |
|----------------------------|----------------|----------|----------------|----------------|
| Expenditures | | | | |
| General Operating Expenses | 710,151 | - | 102,914 | 102,914 |
| Total Expenditures | 710,151 | - | 102,914 | 102,914 |

| | | | | |
|-------------------------------------|----------------|----------|----------------|----------------|
| Revenue | | | | |
| Revenue from the Federal Government | 799,185 | - | 102,914 | 102,914 |
| Total Revenues | 799,185 | - | 102,914 | 102,914 |
| General City Support | -89,034 | - | - | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Security | 3.00 | 6.00 | 6.00 | - |
| General Operations | 7.00 | 7.00 | 7.00 | - |
| Total Positions | 10.00 | 13.00 | 13.00 | - |

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

Administrative Services Division

Provides for coordination, direction, and support through the provision of personnel (human resources), development of policies, management of departmental budgets and finances, administration of grant programs, processing of public inquiries, gathering and analysis of data and research, and development of programs.

Field Services

Provides quality emergency medical services 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 the use of a full career EMS workforce and coordination with ten independent Volunteer Rescue Squads, who are distributed throughout the City's EMS stations. This helps to ensure a minimum staffing level of at least 12 ambulances daily, with up to 18 during peak demand periods, with the goal of one ambulance per 3,000 calls for service.

Integrated Health Services

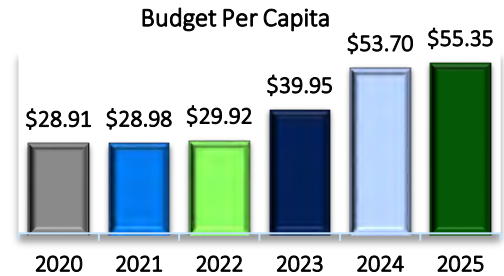
Provides the oversight of permitted commercial ambulance agencies within the city and oversees the mobile integrated healthcare programs and health informatics. This unit also conducts quality assurance assessments, oversees the Aging-in-Place programs, opioid abatement, vaccination programs, emergency medical records, and continuous quality improvements.

Member Services

Provides basic life support (BLS), advanced life support (ALS), and specialized training for EMS volunteers, career medics, specialty team members, Fire, Police, emergency dispatchers, and hospital personnel. This unit also ensures that personnel remain certified to work on ambulances and perform medical duties, allowing EMS to remain in compliance with state requirements. Oversees volunteer recruitment and retention as well as member programs. Member Services also oversees member health and wellness programs.

Special Operations

This division provides for, and coordinates, the in-house Sandbridge Beach lifeguard program and administers the contract for lifeguard services at the oceanfront resort beach area. Other programs within special operations include special event planning and management, logistics, SWAT Medic, Marine Medic, mass casualty preparedness, and the civil disturbance response team medical component.



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|---------|-------------|--------------|
| Probability that patients' conditions are stabilized or improved in care of EMS | 99% | 99% | 99% | 99% | 99% | 99% |
| Percent of priority one calls with the first medical help on scene in 6 minutes or less | 62.4% | 70.6% | 65% | 60.1% | 61.34% | 60.15% |
| Percent of priority one calls with an ambulance on scene within 12 minutes of dispatch (Advance Life Support calls) | 83.8% | 59.9% | 57% | 75.6% | 62.35% | 60.15% |
| Number of Advance Life Support transports | 9,074 | 8,121 | 8,752 | 9,174 | 9,010 | 9,107 |
| Number of Basic Life Support transports | 25,355 | 26,253 | 28,254 | 28,503 | 31,282 | 32,386 |
| Number of calls for ambulance services | 47,555 | 49,254 | 54,943 | 53,570 | 57,581 | 60,332 |
| Number of marine rescue response requests | 205 | 247 | 207 | 161 | 162 | 148 |
| Number of EMS SWAT Team response requests | 91 | 146 | 122 | 64 | 74 | 65 |
| Applicants attended orientation | 837 | 680 | 736 | 949 | 890 | 845 |
| New Attendants In Charge certified | 213 | 122 | 120 | 135 | 101 | 88 |
| Average number of total certified ambulance volunteers | 539 | 504 | 463 | 371 | 344 | 305 |
| Total EMS volunteer members all types | 1,023 | 965 | 916 | 829 | 784 | 733 |
| Sudden cardiac arrest survival rate | 27% | 24% | 22% | 42% | 28% | 34% |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall value received for City tax dollars and fees | 52.8% | 33.8% | 19% |
| Overall quality of ambulance services/emergency medical services | 87% | 72.4% | 14.6% |
| Efforts to ensure the community is prepared for emergencies/disasters | 70.1% | 42.9% | 27.2% |
| Feeling of safety in the City overall | 80.1% | 71.1% | 9.0% |

Trends & Issues

→ **Calls for Service and Unit-Hour-Utilization**

Total calls for service continue to grow. The department has seen a 12.5% increase in the number of calls for service during the last five years. That increase equates to 6,018+ additional calls for service without personnel to increase the number of staffed ambulances. As a result, the department is meeting its Priority-1 response time arrival goal of less than 12 minutes 58.4% of the time at the 90th percentile. Daily demands regularly exceed the number of immediately available ambulances.

A 2-3% annual increase in calls-for-service is anticipated for the foreseeable future. Unit-hour-utilization (UHU) is a measure of how busy the EMS crews are on duty. UHU is directly impacted by call volume and ambulance staffing. Increases in call volume, without an increase in ambulance staffing, results in an increased UHU. The goal is to maintain a UHU of less than 0.50 at least 90% of the time. Regular UHUs exceeding 0.50 result in delayed response times, crew member fatigue and burnout, increased rate of error, and more unfavorable medical outcomes.

→ **Recruitment, Retention, and Ambulance Staffing**

An average of 13.1 ambulances were staffed during peak demand periods in 2023. One staffed ambulance for approximately every 3,000 calls is needed to maintain adequate response times, proper geographic coverage, and a UHU of 0.50 or less the majority of the time. This is consistent with ambulance staffing rates in neighboring localities as well. The City of Virginia Beach needs at least 14 ambulances staffed 24/7, and at least 18 during the peak hours of 10:00 AM – 8:00 PM.

There are currently 275 active volunteer members eligible to staff ambulances; it takes about 50 volunteers to staff one ambulance 24/7. The department recorded net losses in numbers of volunteer providers each year for 2022 and 2023; increased shift workload and shift expectations for volunteers are a key driver of this trend. Retention data suggests increased ambulance staffing, by way of decreasing workload per unit, has a positive impact on volunteer retention. Volunteer staffing can provide up to 6 ambulances; career staffing is needed to augment this.

Taking annual and sick leave accruals into consideration, up to 140 uniformed career EMS providers assigned to field services will be needed to ensure adequate ambulance staffing augmentation. To date, the department has 106 of these positions, which includes 30 new emergency response provider positions allocated in the FY 2023-24 budget and 4 in the FY 2024-25 budget. EMS will continue to try to increase volunteer staffing to account for the remaining necessary positions or may request the residual need in future year budgets.

→ **Medical Director**

All EMS providers operate under the licensure of state-certified Operational Medical Director (OMD). This emergency physician oversees the protocols and care that patients receive, as well as the training curriculums for EMT through paramedic. In addition, the OMD has oversight of training release processes, regional advanced life support sanctioning and quality assurance/improvement programs. The EMS OMD has served Virginia Beach for 25 years and acts as the OMD for the 500+ Virginia Beach Fire Department employees and the Emergency Communications and Citizen Services emergency medical dispatch program in addition to the OMD's EMS administrative obligations. As each department has grown over the years, the impact to the OMD's licensure and oversight capabilities has not been insignificant.

→ **Health and Wellness**

The physical, emotional, and mental well-being of EMS providers is paramount for their safety and career longevity. EMS is a physically and emotionally demanding occupation where providers often encounter horrific scenarios. These potential traumas, coupled with repeated exposures, sleep deprivation from scheduling, the physical impacts of repeated lifting and carrying, and more can have a cumulative stress impact on the men and women of the Virginia Beach EMS Department.

Major Budget Changes

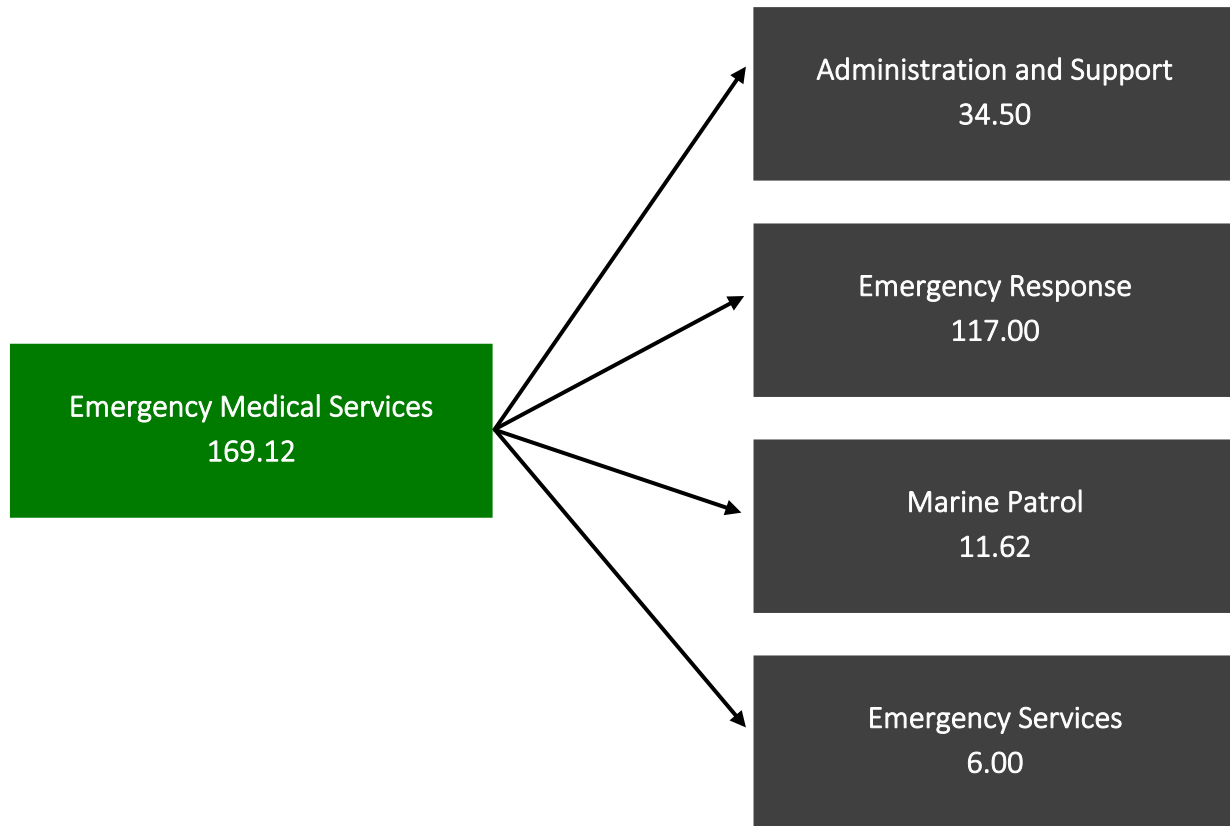
| | Change | Impact |
|---|--|---|
| ↑ | Contract for Operational Medical Director \$100,000 | The position of Operational Medical Director (OMD) is a crucial position that is a requirement of City Code and the Virginia Office of EMS (VAOEMS) EMS regulations. The funding increase will allow the Medical Director to work for the EMS department twenty hours per week, resulting in an increased level of department oversight and management by the Operational Medical Director with increased office hours, involvement in training, and field supervision. |

| | Change | Impact |
|---|--|--|
| ↑ | Additional Paramedics \$320,356 4.0 FTEs | EMS will receive authorization to hire 4 full-time paramedics to assist with service delivery efforts across the City. Four paramedic vacancies were converted to 12 part-time paramedic positions last fiscal year; EMS will maintain utilization of the part-time personnel in FY 2024-25. These four paramedics are new full-time positions, equipping EMS with more personnel to better meet the needs of the citizens and visitors of Virginia Beach. |

| | Change | Impact |
|---|--|--|
| ↑ | Lifeguard Contract (TIP Fund) \$1,073,722 | Due to cost increases from the City’s vendor for lifeguarding services at the Resort Area, the Tourism Investment Program (TIP) Fund began to fund a portion of the contract in FY 2023-24. The full cost increase has been annualized in the FY 2024-25 budget, with the TIP fund continuing to cover a portion of the contract cost. |

| | Change | Impact |
|---|---------------------------------------|---|
| ↑ | Operational Budget Lines \$178,239 | The addition of over sixty positions within the EMS department over the last few years has created a need for additional supply funding. EMS will receive \$152,239 in funding for items such as safety equipment, uniforms, and medical as well as \$26,000 for technology. EMS staff will be more supported and outfitted in the field and the office as a result of these allocations. |

Department Organization Chart



City Of Virginia Beach, Virginia
Emergency Medical Services - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Business Center | 150,283 | 746,340 | 844,774 | 98,434 |
| Emergency Response System | 8,848,245 | 13,371,896 | 12,768,212 | (603,684) |
| Training, Learning, and Development | 1,176,108 | 1,382,350 | 1,704,093 | 321,743 |
| Marine Patrol | 256,589 | 649,014 | 651,252 | 2,238 |
| Personnel | 2,545 | 436,685 | 976,304 | 539,619 |
| Emergency Services | 2,713,577 | 2,741,378 | 2,501,126 | (240,252) |
| Administration | 51,969 | 775,640 | 1,157,632 | 381,992 |
| General Operating Expenses | 4,922,704 | 4,179,565 | 4,350,277 | 170,712 |
| Total Expenditures | 18,122,019 | 24,282,868 | 24,953,670 | 670,802 |
| Revenue | | | | |
| Charges for Services | 21,908 | 66,500 | 66,500 | - |
| Permits, Fees, and Regulatory Licenses | 23,451 | 100,000 | 100,000 | - |
| Miscellaneous Revenue | 34,353 | - | - | - |
| Specific Fund Reserves | - | 1,074,000 | - | (1,074,000) |
| Total Revenues | 79,712 | 1,240,500 | 166,500 | (1,074,000) |
| General City Support | 18,042,308 | 23,042,368 | 24,787,170 | 1,744,802 |
| FD241: Tourism Investment Program Special Revenue Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | - | - | 1,073,772 | 1,073,772 |
| Total Expenditures | - | - | 1,073,772 | 1,073,772 |
| Revenue | | | | |
| Total Revenues | - | - | - | - |
| General City Support | - | - | 1,073,772 | 1,073,772 |
| FD270: Consolidated Grants Special Revenue Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 518,454 | 375,000 | 395,000 | 20,000 |
| Total Expenditures | 518,454 | 375,000 | 395,000 | 20,000 |
| Revenue | | | | |
| Revenue from the Commonwealth | - | 375,000 | 395,000 | 20,000 |
| Total Revenues | - | 375,000 | 395,000 | 20,000 |
| General City Support | 518,454 | - | - | - |

City Of Virginia Beach, Virginia
Emergency Medical Services - Departmental Resource Summary

| FD100: General Fund | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|-------------------------------------|-------------------|-------------------|-------------------|---------------------|
| Position Summary | Actual | Amended | Proposed | from FY 2024 |
| Business Center | 5.00 | 5.00 | 6.00 | 1.00 |
| Emergency Response System | 81.00 | 117.00 | 117.00 | - |
| Training, Learning, and Development | 11.00 | 12.00 | 16.00 | 4.00 |
| Marine Patrol | 11.05 | 11.62 | 11.62 | - |
| Personnel | 5.00 | 5.00 | 6.00 | 1.00 |
| Emergency Services | 6.00 | 6.00 | 6.00 | - |
| Administration | 5.50 | 5.50 | 6.50 | 1.00 |
| General Operations | - | 3.00 | - | (3.00) |
| Total Positions | 124.55 | 165.12 | 169.12 | 4.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

FINANCE



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

Department Overview

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

Debt Management

Supports the approved Capital Improvement Program (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 other pay deductions.

Accounting and Reporting

Prepares mandated financial reports in compliance with federal and state laws, including the Annual Comprehensive Financial Report. Responsible for oversight and integrity of the financial management system for operating and capital project 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 risk, managing the loss control programs, purchasing insurance products, 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.

Budget Per Capita



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|-------------|--------------|
| Dollar volume of purchase orders in millions | \$750 | \$762 | \$676 | \$700 | \$725 |
| Number of formal purchasing solicitations | 218 | 263 | 260 | 275 | 300 |
| Number of workers compensation claims | 1,047 | 924 | 1,009 | 995 | 990 |
| Value of workers compensation claims in millions | \$9.1 | \$8.8 | \$11.1 | \$10.50 | \$10.00 |
| Dollar volume of invoices processed in millions | \$979 | \$1,003 | \$1,312 | \$1,512 | \$1,694 |
| Number of invoices processed | 167,072 | 206,484 | 210,712 | 227,000 | 250,000 |
| Dollar value of payroll payments issued to employees in millions | \$417 | \$455 | \$445 | \$450 | \$455 |
| Number of payroll payments issued to employees | 256,464 | 304,000 | 244,262 | 245,000 | 247,000 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| How well the City is managing growth | 31.6% | 34.6% | 39.7% |
| Overall value that you receive for your City tax dollars | 52.8% | 33.8% | 33.8% |
| Overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |

Trends & Issues

→ Continue Maintaining the City's Strong Financial Position and Support Fiscal Sustainability

For fourteen consecutive years, all three major bond rating agencies affirmed the City's Triple-A rating due to its solid financial management practices. The Triple-A rating indicates an extremely strong capacity to meet financial commitments, resulting in favorable interest rates and debt savings. The City's strong fiscal policies and adequate fund reserves are the key financial tools to help mitigate the risk of future revenue uncertainties caused by a natural disaster, or a recession.

→ Continue Implementing Disparity Study Recommendations

The HIVE is a small business resource center designed to establish, and showcase innovation and startups by translating insights into actionable strategies, rethinking the customer experience, improving operational experience and efficiency as well as testing new business models through the use of technology. The HIVE offers mentorship, networking, and a variety of fundamental resources through resource partners, the Urban League, the Women's Business Center, and Workforce Development that can provide businesses with the necessary tools for growth and success. Resource partners at The HIVE are able to provide assistance regarding funding sources, federal, state, and local government procurement process assistance, assistance with workforce development and SWaM certification. The City's Small, Women and Minority-owned Business (SWaM) Office has a full-time presence at The HIVE and provides assistance in doing business with the City through the City's SWaM Procurement Programs including free workshops, a variety of networking and outreach events, as well as structured business training programs.

→ **Leverage Technology and Improve Business Processes**

With automated employee time tracking tools and new functionalities, VBTime has improved time and attendance processes, increased efficiency, and accuracy along with enhanced visibility and accountability. Continuous improvement to the City’s financial system (Oracle Financials Cloud) is required to maximize the value of the new system, improve business processes, increase the return on the investment, and achieve efficiency. The City is currently exploring a new Human Capital Management (HCM) System. The new HCM System will transform the traditional administrative functions - recruiting, training, payroll, compensation, and performance management, into opportunities to drive engagement, accountability, and productivity.

→ **Meet Regulatory Compliance and Standards Requirements**

Regulatory changes may affect the City’s business and operations. To ensure the City’s compliance with new law and regulatory standards, the Finance Department needs to actively assess, monitor, and address impacted services. New accounting standards issued by the Governmental Accounting Standards Board could have a significant effect on the City’s financial statements and require additional resources to implement the new standards. Evolving workers’ compensation legislation expands the criteria with which claims are accepted and will likely increase expenses of workers’ compensation claims and future liabilities.


→ **Meet the City’s Risk Management Needs**

The City will see increases in premiums and higher self-insured retentions resulting from increases in natural disasters and changes to legislation. The City continues to actively manage cybersecurity risks including the purchase and evaluation of limits for cybersecurity insurance given the multiple large scale, data breaches of other municipalities across the country. The Risk Management Division will continue to work effectively with its third-party administrator to better manage workers’ compensation claims ensuring the City’s compliance with federal or state occupational safety and health laws and regulations.

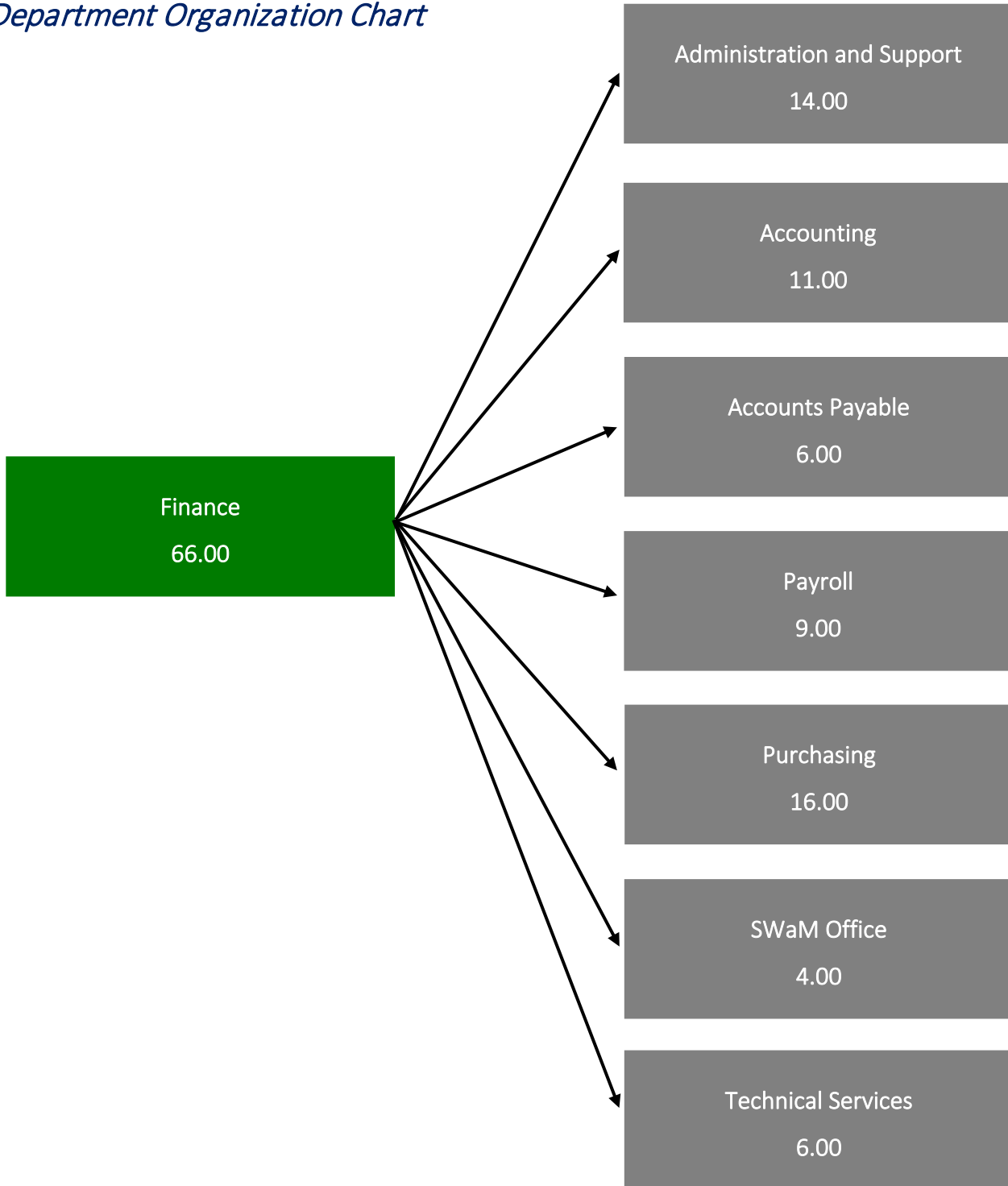
→ **Meet the City’s Contracting and Procurement Needs**

Over the past few years, the City’s purchasing staff have experienced a steady increase in workload due to a confluence of factors: American Rescue Plan Act (ARPA) projects with a construction commitment deadline of December 2024, the influx of Flood Protection Program projects supported by the bond referendum, increased workload associated with the review of Small, Women-owned, and Minority-owned Business initiatives/contracts, as well as inflationary increases causing multiple reworks of bids. Additionally, while ARPA is one-time funding, the City anticipates additional ongoing construction workload due to the passage of the Infrastructure Investment and Jobs Act and release of millions in federal funding. The City will continue to monitor the staffing needs for contracting and procurement and adjust accordingly.

Major Budget Changes

| | Change | Impact |
|---|--|---|
|  | Risk Management Fund variance \$649,885 | Due to the rising costs of insurance premiums for general liability, fire, and property, and workers’ compensation, expenditures in the Risk Management Fund are projected to rise by \$649,885 in FY 2024-25 compared to the previous fiscal year. |

Department Organization Chart



City Of Virginia Beach, Virginia
Finance - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Local Vehicle Registration Program | 1,362,382 | - | - | - |
| Disparity Study Implementation | 4,813 | - | - | - |
| General Operating Expenses | 5,661,228 | 6,580,172 | 7,635,187 | 1,055,015 |
| Total Expenditures | 7,028,423 | 6,580,172 | 7,635,187 | 1,055,015 |
| Revenue | | | | |
| Charges for Services | 676,636 | 400 | 400 | - |
| Permits, Fees, and Regulatory Licenses | - | 8,750 | 8,750 | - |
| Miscellaneous Revenue | 151,503 | 262,492 | 262,492 | - |
| Total Revenues | 828,139 | 271,642 | 271,642 | - |
| General City Support | 6,200,284 | 6,308,530 | 7,363,545 | 1,055,015 |

FD602: Risk Management Internal Service Fund

| | | | | |
|------------------------------------|--------------------|-------------------|-------------------|----------------|
| Expenditures | | | | |
| Automotive Services | 153 | - | - | - |
| General Operating Expenses | 19,072,375 | 20,333,854 | 20,983,739 | 649,885 |
| Total Expenditures | 19,072,528 | 20,333,854 | 20,983,739 | 649,885 |
| Revenue | | | | |
| Charges for Services | 18,575,253 | 18,757,799 | 18,757,799 | - |
| Miscellaneous Revenue | 1,277,000 | - | - | - |
| From the Use of Money and Property | 679,891 | 248,259 | 248,259 | - |
| Specific Fund Reserves | - | 1,327,796 | 1,977,681 | 649,885 |
| Total Revenues | 20,532,144 | 20,333,854 | 20,983,739 | 649,885 |
| General City Support | (1,459,615) | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 58.00 | 59.00 | 59.00 | - |
| General Fund Positions | 58.00 | 59.00 | 59.00 | - |
| FD602: Risk Management Internal Service Fund | | | | |
| Position Summary | | | | |
| General Operations | 7.00 | 7.00 | 7.00 | - |
| Risk Management Internal Service Fund Positions | 7.00 | 7.00 | 7.00 | - |
| Total Positions | 65.00 | 66.00 | 66.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

FIRE



The Virginia Beach Fire Department is a professional department dedicated to protecting life and property through an all-hazards approach.

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 budget and finance, grants management, procurement and inventory, research and analysis, accreditation, and alignment with City Council goals. All research and analysis for departmental accreditation, performance measurement, and operational efficiency is also completed by this division.

Fire Prevention Bureau

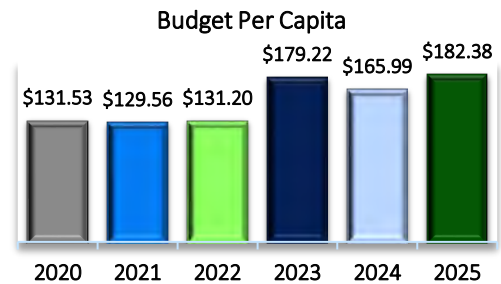
This division administers and enforces the statewide Fire Prevention Code. This includes providing annual fire maintenance inspections and operational permits for commercial establishments that are considered to pose a higher risk of fire hazard; providing periodic inspections of businesses that pose 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 disposal.

Fire Operations

This division is distributed among 21 City-owned fire stations located throughout Virginia Beach, as well as one shared facility at Fort Story, and delivers 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. The staffed apparatus includes 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). The department also has a Volunteer Support Technician Team and houses one of 28 national FEMA Urban Search and Rescue Task Forces.

Fire Personnel and Development

This division provides human resource management, diverse workforce recruiting, mandated career development, and organizational enhancement training programs to meet nationally recognized standards in the following areas: fire, emergency medical services, rescue, life safety, management, driver operator, and any specialty training for volunteer and career firefighters.



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|-------------|--------------|
| Fire deaths | 4 | 6 | 4 | 5 | 4 |
| Fire injuries | 36 | 31 | 20 | 29 | 30 |
| Building and property saved | 97.12% | 96.26% | 87.69% | 93.69% | 94.71% |
| Total response time of 1st unit to moderate risk structure fire - urban (time) | 9:07 | 8:13 | 8:33 | 8:37 | 8:43 |
| EMS rescue response | 26,614 | 29,914 | 27,820 | 25,949 | 26,656 |
| Fire response | 850 | 849 | 770 | 614 | 783 |
| False alarm response | 4,340 | 4,136 | 4,149 | 4,054 | 4,142 |
| Good intent response | 5,916 | 6,573 | 5,707 | 5,290 | 5,792 |
| Hazardous conditions response | 1,341 | 1,125 | 1,250 | 1,176 | 1,275 |
| Rupture/explosion response | 66 | 69 | 77 | 74 | 72 |
| Service call response | 3,744 | 3,997 | 4,307 | 4,121 | 3,914 |
| Other response | 72 | 72 | 84 | 70 | 78 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of fire services – excellent rating | 92.5% | 87.0% | 77.8% |
| Response time for fire services– excellent rating | 89.7% | 79.2% | 73.1% |
| Fire inspection and permitting services– excellent rating | 68.1% | 52.8% | 48.5% |
| Efforts to ensure the community is prepared for emergencies/disasters – excellent rating | 70.1% | 43.4% | 26.7% |

Trends and Issues

→ Firefighter Health

The International Agency for Research on Cancer (IARC) has classified occupational exposure as a firefighter as Group 1, “carcinogenic to humans,” meaning there is a strong level of evidence that this occupation can cause cancer. Funding will continue to be needed to support mitigating the risk of exposure to carcinogens, such as duplicate sets of personal protective apparel and costly decontamination and cleaning equipment. As new screening tests, such as the Galleri multi-cancer early detection blood test become available, research will need to be done to ascertain how these tests are incorporated into annual physicals. Early cancer detection and aggressive prevention measures will continue to be explored.

→ **Staffing Challenges**

The fire department is challenged with staffing shortages that have consistently caused significant overtime costs and excessive personnel work hours. The department does not have adequate reserve capacity to cover daily leave, family medical leave, military duty, injury leave, and limited duty demands. Other contributing factors have been an increase in retirements and resignations of current uniformed staff members and increases in firefighter recruits separating from the department prior to graduation. These vacancies are leading to the need for more frequent and larger fire academy's, requiring the movement of personnel from fire operations to training to assist with the education of recruits. On average, 42 firefighters are reassigned to "desk duties" instead of their normal firefighter roles due to an injury, with an average duration of 99 days. The average number of firefighter vacancies over last four fiscal years has been 12.4.

→ **Supply Chain Issues and Increased Costs**

Fire engine, ladder, and rescue trucks, as well as fire boats and other support vehicles are becoming significantly more expensive, with cost increases of up to 50%. The amount of time it takes to receive these items after an order has been placed has on average increased by 116%. Although these cost increases and supply chain issues have been most impactful with fire apparatus, this trend has applied to building construction, as well as equipment and supplies used by the department.

→ **Fire Prevention and Community Risk Reduction**

The Fire Prevention Bureau has proactively begun working to educate and prepare businesses for fire inspections. The goal is to engage stakeholders in the process so that they will become more actively involved in compliance, which should have the added benefit of reducing the number of re-inspections that are required. Life Safety staff have developed robust and successful educational classes for Virginia Beach Schools. Student test scores on fire safety are higher, with demonstrated gains in fire safety knowledge after participating in the class.

→ **Paramedic Program**

To support the department's goal of having all apparatus staffed with an Advanced Life Saving (ALS) provider, federal Assistance to Firefighter Grant (AFG) funds are being used to pay for firefighters to enroll in an EMT to paramedic training class. AFG funding was also obtained to pay the overtime costs associated with attending the required classroom-based training, as well as clinical rotations required. The department intends to apply for more AFG funds to continue to support this goal.

→ **Research, Analysis and Planning**

The department's Research, Analysis, and Planning (RAP) Bureau uses business intelligence, analytics, and Geographic Information System (GIS) Technology to equip the department with the necessary information to make data-driven decisions. RAP staff invests a significant amount of time supporting the work done by the Office of Performance and Accountability (OPA) by participating and reporting on RescueStat, InvestStat, PermitStat, and FleetStat initiatives.

→ **Technology Advancements**

Rapid advancement of technology within the fire service has caused a greater need for computers and mobile devices in both the fire apparatus and the fire stations. The Fire Department has increased the use of connected devices, which are interrelated smart devices connected to the internet that have the ability to transfer data over a network without human-to-human or human-to-computer interaction. Devices used by the Fire Department include self-contained breathing apparatus, bio/medical and location sensors on firefighters, devices on apparatus that communicate with traffic lights, and devices on apparatus that communicate with navigation apps such as Waze and Google Maps to warn motorists of emergency apparatus. The department has begun to evaluate the replacement of the ToughBooks used for mobile reporting.

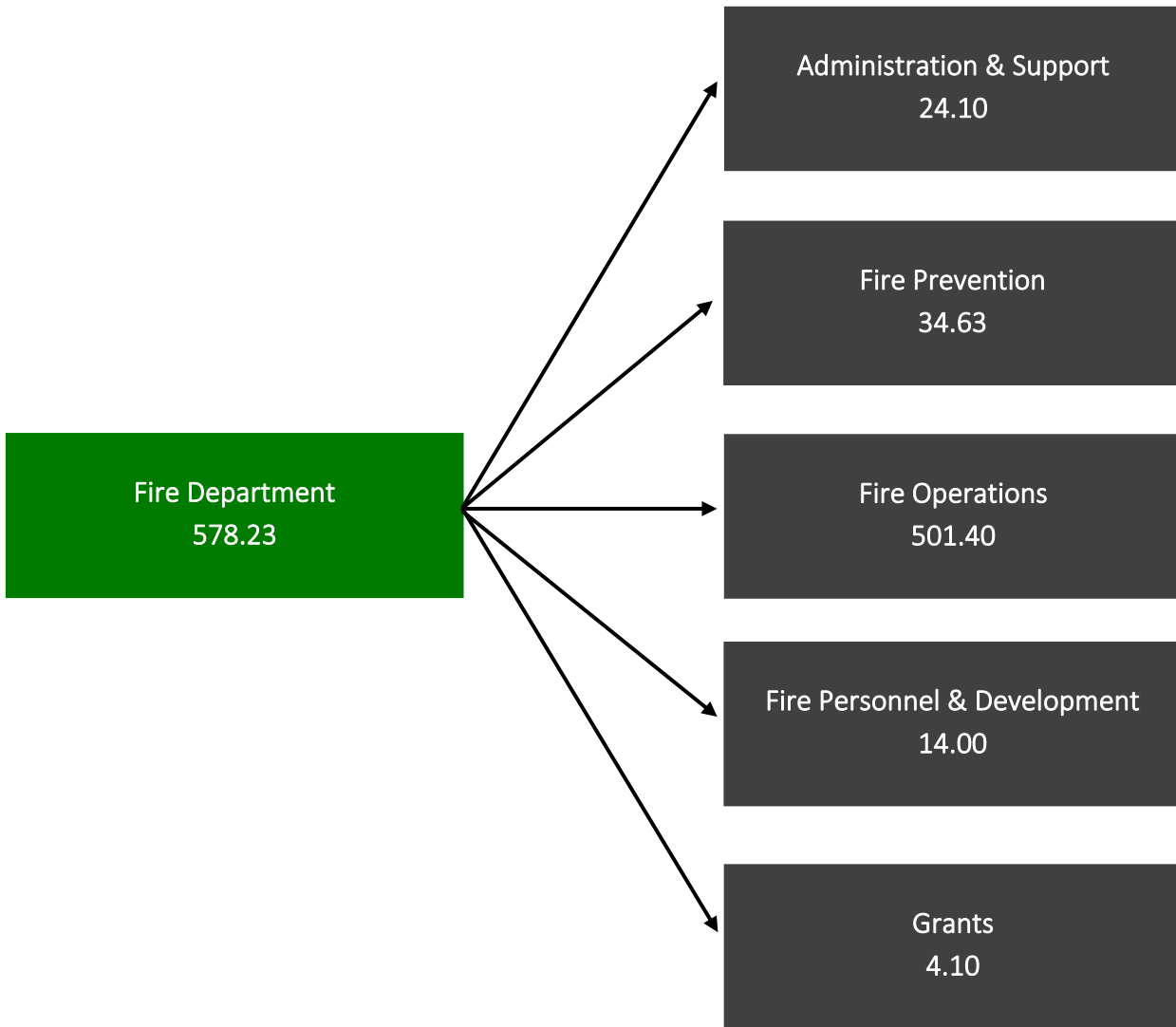
The increases in technology has also led to an increase in connectivity expenses. This connectivity includes cellular service which requires monthly service charges, or hardwired internet connections, which require initial fees for new/relocated service drops. Security requirements now require a detailed review from IT, which has significantly delayed projects and contributed to increased costs.

The Fire Department has embraced the use of unmanned aerial systems for emergency scene, special event, and significant weather event usage. By May 2024 the department will have 1 drone operator assigned to each of the 3 operational shifts. This technology is rapidly advancing requiring the acquisition of additional equipment as technology advancements are made. Another cost associated with this technology is the abundance of batteries, which must be replaced on a rotating basis to maintain a sufficient operational schedule.

Major Budget Changes

| | Change | Impact |
|---|--|--|
| ↑ | Seventeen New Firefighter Recruits 17.0 FTEs \$1,765,150 | Seventeen Firefighter Recruit positions and associated personnel and operational costs will be added to the Fire Department’s budget in FY 2024-25. The Virginia Beach Fire Department is challenged with staffing shortages that have consistently caused significant overtime costs and excessive personnel work hours. The addition of these positions will allow the department to further reduce overtime and firefighter turnover rates. |

Department Organization Chart



City Of Virginia Beach, Virginia
Fire - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Stormwater Engineering Center | 103,140 | - | - | - |
| Program Support | 10,585 | 4,000 | 4,000 | - |
| Training, Learning, and Development | 2,018,255 | 1,943,038 | 2,013,952 | 70,914 |
| Helicopter Unit | (118) | - | - | - |
| Leases | - | 225,117 | 231,871 | 6,754 |
| General Operating Expenses | 72,261,557 | 70,111,400 | 77,093,277 | 6,981,877 |
| Total Expenditures | 74,393,418 | 72,283,555 | 79,343,100 | 7,059,545 |
| Revenue | | | | |
| Charges for Services | 223,040 | 321,000 | 321,000 | - |
| Permits, Fees, and Regulatory Licenses | 174,455 | 171,200 | 171,200 | - |
| Miscellaneous Revenue | 5,416 | 14,000 | 14,000 | - |
| Specific Fund Reserves | - | - | 283,137 | 283,137 |
| Transfer In | - | - | - | - |
| Total Revenues | 402,910 | 506,200 | 789,337 | 283,137 |
| General City Support | 73,990,508 | 71,777,355 | 78,553,763 | 6,776,408 |

FD270: Consolidated Grants Special Revenue Fund

| | | | | |
|---|------------------|------------------|------------------|----------------|
| Expenditures | | | | |
| LOGISTICS | 125,012 | - | - | - |
| EXECUTIVE MANAGEMENT | (4,117) | - | - | - |
| INCIDENT SUPPORT TEAM | 7,671 | - | - | - |
| STORAGE & MAINTENANCE | 246,641 | 326,584 | - | (326,584) |
| Training, Learning, and Development | 25,392 | - | - | - |
| Administration | 23,070 | 7,915 | - | (7,915) |
| Buildings General Government Capital Project (GGCP) | - | 300,000 | 300,000 | - |
| General Operating Expenses | 3,894,606 | 1,875,219 | 2,583,414 | 708,198 |
| Total Expenditures | 4,318,275 | 2,509,718 | 2,883,414 | 373,696 |

City Of Virginia Beach, Virginia
Fire - Departmental Resource Summary

| <u>Revenue</u> | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Revenue from the Commonwealth | 1,843,443 | 1,848,423 | 2,050,000 | 201,577 |
| Revenue from the Federal Government | 2,108,853 | 661,295 | 833,414 | 172,119 |
| Transfer In | 39,886 | - | - | - |
| Total Revenues | 3,992,182 | 2,509,718 | 2,883,414 | 373,696 |
| General City Support | 326,092 | - | - | - |

FD271: Emergency FEMA Grant Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|------------------|----------------|----------------|----------|
| General Operating Expenses | 2,696,461 | 500,000 | 500,000 | - |
| Total Expenditures | 2,696,461 | 500,000 | 500,000 | - |

Revenue

| | | | | |
|-------------------------------------|-------------------|----------------|----------------|----------|
| Miscellaneous Revenue | 29,732 | - | - | - |
| Revenue from the Federal Government | 4,396,370 | 500,000 | 500,000 | - |
| Total Revenues | 4,426,102 | 500,000 | 500,000 | - |
| General City Support | -1,729,641 | - | - | - |

FD806: Fire Gift Fund

Expenditures

| | | | | |
|----------------------------|----------------|----------|----------|----------|
| General Operating Expenses | 115,453 | - | - | - |
| Total Expenditures | 115,453 | - | - | - |

Revenue

| | | | | |
|-----------------------------|----------------|----------|----------|----------|
| Miscellaneous Revenue | - | - | - | - |
| Specific Fund Reserves | - | - | - | - |
| Total Revenues | - | - | - | - |
| General City Support | 115,453 | - | - | - |

**City Of Virginia Beach, Virginia
Fire - Departmental Resource Summary**

| FD100: General Fund | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|---|-------------------|-------------------|-------------------|---------------------|
| | Actual | Amended | Proposed | from FY 2024 |
| Position Summary | | | | |
| Training, Learning, and Development | 15.00 | 14.00 | 14.00 | - |
| General Operations | 538.63 | 543.13 | 560.13 | 17.00 |
| General Fund Positions | 553.63 | 557.13 | 574.13 | 17.00 |
| FD270: Consolidated Grants Special Revenue Fund | | | | |
| Position Summary | | | | |
| General Operations | 4.60 | 4.10 | 4.10 | - |
| Consolidated Grants Special Revenue Fund Positions | 4.60 | 4.10 | 4.10 | - |
| Total Positions | 558.23 | 561.23 | 578.23 | 17.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

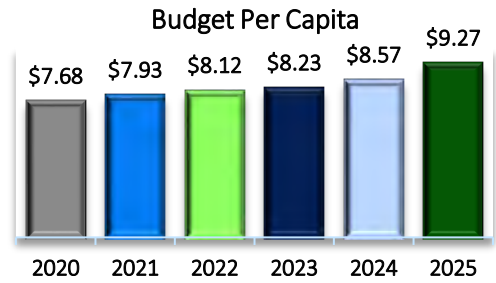
PUBLIC HEALTH



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.

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 over 100 FTEs, of which 7.00 are fully City-funded. The City is required to provide a 45% match to the funding from the Commonwealth for the VBDPH. City funds 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 through funding provided by the City:

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

Support for the Long Term Services and Supports Screenings are required for any person requesting care in a Medicaid certified facility, or for in-home care who are eligible and approved for Medicaid. A detailed assessment is performed by a Public Health Nurse and a Family Service Worker to determine need and appropriate setting for care.

Laboratory Program

Laboratory program services are provided to support a variety of programs at the health department including phlebotomy and other kinds of specimen collection, specimen handling and dispatch for patients served at our clinics as well as off-site outreach testing throughout the community.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021* | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|----------|---------|---------|-------------|--------------|
| Number of unduplicated routine immunization clients | 1,129 | 1,063 | 1,789 | 2,210 | 2,210 |
| Number of unduplicated COVID immunization clients | 129,719 | 17,111 | 2483 | 2,000 | 2,000 |
| Number of unduplicated MPOX immunization clients | N/A | N/A | 2,242 | 50 | 50 |
| Number of community vaccination events | 119 | 184 | 75 | 40 | 40 |
| Number of children dental patients who received care | 826 | 800 | 838 | 830 | 830 |
| Number of laboratory patients served | 8,157 | 6,694 | 10,164 | 8,400 | 8,400 |
| Number of clinic patients who received care | 1,989 | 2,464 | 1,145 | 1,460 | 1,460 |
| Number of restaurants permitted | 76 | 635 | 1,735 | 2,000 | 2,000 |
| Number of health screenings provided to elderly citizens | 434 | 348 | 854 | 850 | 850 |

**Note – some vaccinations did not exist in prior years and therefore metrics are not applicable for those periods. Additionally, FY2020 & 2021 measures were impacted by service adjustments during the COVID-19 pandemic response.*

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of City services | 75.3% | 53.6% | 50.5% |
| Overall quality of City customer service | 73.0% | 38.0% | 40.6% |
| Perception of the City as a place to raise children | 84.1% | 69.1% | 62.4% |

Trends and Issues

→ Public Health Response

For the past several fiscal years a significant focus of the Virginia Beach Public Health Department has been on the COVID-19 pandemic response. During this challenging and evolving response period, VBDPH has continued to work very closely with a wide range of public and private partners throughout the City to help facilitate a coordinated response. These activities include public health communication and outreach, technical support and expertise, case investigation/contact tracing, community testing, direct community vaccination as well as vaccine distribution to other providers, and support for vulnerable populations in the City. Most of these efforts continue to be primarily funded from non-City resources with federal awards made with the Virginia Department of Health (VDH) to VBDPH. In addition to efforts from the VBDPH workforce, the Virginia Beach Medical Reserve Corps (MRC) continues to provide essential volunteer support to the COVID-19 pandemic response, supporting vaccination clinics and community testing events.

→ Virginia Beach Public Health Department awarded Grant to Address Workforce and Infrastructure

The Centers for Disease Control (CDC) awarded the VBDPH a \$6 million grant known as OE22-2203: Strengthening U.S. Public Health Infrastructure, Workforce, and Data Systems. This is a unique investment that supports critical public health infrastructure and workforce needs of jurisdictions across the United States. The grant creates a foundation for CDC's public health infrastructure work and provides maximum flexibility so jurisdictions can address their most pressing needs. VBDPH plans to use these funds over a five-year period to strengthen and develop its

workforce and infrastructure. VBDPH will be building on the relationships and processes established throughout the COVID-19 response and direct this transformational investment into the core competencies of our health department in the service of coastal Virginia.

→ **Pediatrics Dental Community Services**

As part of continuing education and pediatric dental care, a new Panoramic X-Ray machine was installed at the VBDPH Dental clinic. This allows VBDPH to safely and conveniently provide an important pediatric dental service at our office location. The VBDPH dental team also increased community engagement through opportunities such as Dental Health Education Seminars to VBCPS students in kindergarten-2nd Grade and a partnership with the Virginia Beach Technical & Career Education Center to provide dental instruction to dental assistant students who might consider a career in public health. The dental team has also expanded their collaboration with other public health programs to provide prenatal dental consultations and education to children in Family Health Services, Baby Care, and Health Families programs.

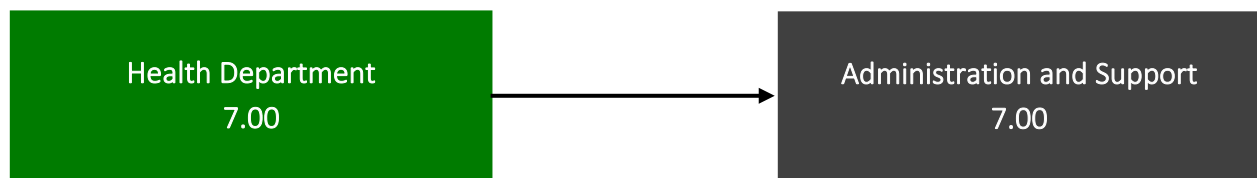
→ **Community Lab Services**

During the past several years, the laboratory at VBDPH has been an important part of providing COVID-19 testing for the community. The VBDPH lab personnel were a critical part of the testing team that served the most vulnerable community members residing in long-term care facilities and congregate settings throughout the pandemic. The flexibility and adaptability of these resources were essential in helping isolate those that were positive with COVID-19 to prevent further illnesses. Further, the approach developed for these settings has been subsequently adapted for other conditions and vulnerable groups and serves as a model for addressing future public health needs in the community.

Major Budget Changes

| | Change | Impact |
|---|----------------------------------|---|
| ↓ | Reduction of City Staff 1 FTE | Health Department staff employed by the City support non-mandated programs fully funded by the City. Should the Health Department need additional positions to support mandated programs, the necessary FTEs would be added with the State, and the local match would support funding for the position. |

Department Organization Chart



City Of Virginia Beach, Virginia
Health Department - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 3,898,788 | 3,952,202 | 4,260,366 | 308,164 |
| Total Expenditures | 3,898,788 | 3,952,202 | 4,260,366 | 308,164 |
| Revenue | | | | |
| Charges for Services | 328,118 | 328,118 | 429,190 | 101,072 |
| Miscellaneous Revenue | 123 | - | 5,000 | 5,000 |
| Revenue from the Commonwealth | 16,632 | 18,015 | 13,000 | (5,015) |
| Revenue from the Federal Government | 99,171 | 102,084 | 98,428 | (3,656) |
| Total Revenues | 444,043 | 448,217 | 545,618 | 97,401 |
| General City Support | 3,454,745 | 3,503,985 | 3,714,748 | 210,763 |

FD270: Consolidated Grants Special Revenue Fund

| | | | | |
|-----------------------------|-----------------|----------|----------|----------|
| Expenditures | | | | |
| General Operating Expenses | 118,410 | - | - | - |
| Total Expenditures | 118,410 | - | - | - |
| Revenue | | | | |
| Miscellaneous Revenue | -39,163 | - | - | - |
| Total Revenues | (39,163) | - | - | - |
| General City Support | 157,573 | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 6.38 | 8.00 | 7.00 | (1.00) |
| General Fund Positions | 6.38 | 8.00 | 7.00 | (1.00) |

**City Of Virginia Beach, Virginia
Health Department - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| <u>FD270: Consolidated Grants Special Revenue Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| General Operations | 5.00 | - | - | - |
| Consolidated Grants Special Revenue Fund Positions | 5.00 | - | - | - |
| Total Positions | 11.38 | 8.00 | 7.00 | (1.00) |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

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, 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 that includes special allocations for groups such as disabled and homeless veterans as well as family self-sufficiency program, portability program, fostering youth initiatives vouchers, and project-based vouchers. In addition, the division also operates two state funded rental housing programs, and a Community Development Block Grant (CDBG) funded optional relocation program. Property inspections for the Section 8 program are also conducted for existing renters and for those seeking rental housing through the Code Enforcement Division.

Housing Development

This division is responsible for managing all aspects of Federal and City funded homeowner rehabilitation programs, 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 Department of Planning and Community Development for the review of proposed housing developments. The division worked with the Virginia Center for Housing Research at Virginia Tech on an affordable housing study presented to City Council in early 2024.

Homeless Services

This division is responsible for achieving the goals of the City's Community of One Strategic Plan to reduce homelessness. In addition to managing and operating the Housing Resource Center to provide day services, meals, and overnight shelter for the homeless, the division also operates several programs to prevent, divert and house the homeless, including HOME funded Tenant-based rental assistance and Homeless Emergency Housing Vouchers. The division also oversees contracts for services for multiple non-profits, coordinates the work of the BEACH Community Partnership and sub-groups, coordinates the community-wide application for funds under the Continuum of Care grant. The division is the lead agency for the City of Virginia Beach Continuum of Care and oversees the homeless system of services goals and objectives in the partnership with homeless service providers.

Director's Office

This office contracts for key services and provides overall direction, resource development, administrative and support functions for the department. This includes obtaining and administering multiple federal grants such as the Community Development Block Grant (CDBG), HOME grant, Emergency Shelter Grant (ESG) and Housing Opportunities for Persons With Aids (HOPWA) grant. The HOPWA grant is a regional grant that provides short and long-term housing assistance

and support services to over 290 households regionally. Federal and State funding provides approximately 80% of the department’s funding. The director’s office also oversees the goals for the City of Virginia Beach American Rescue Plan Act (ARPA) funded non-profit partners that received funds from the City in 2021.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|-------------|--------------|
| Unique properties inspected | 17,818 | 15,967 | 17,255 | 17,013 | 16,118 |
| Code violations corrected | 30,744 | 27,730 | 31,705 | 30,069 | 28,486 |
| Building maintenance code violations cited | 5,161 | 5,448 | 6,983 | 5,864 | 5,555 |
| Property maintenance code violations cited | 17,492 | 15,576 | 16,821 | 16,629 | 15,754 |
| Unsafe equipment violations cited | 949 | 860 | 902 | 856 | 810 |
| Waste management violations cited | 3,451 | 2,894 | 4,005 | 3,450 | 3,268 |
| Inoperable vehicle violations cited | 1,499 | 1,768 | 1,229 | 1,499 | 1,420 |
| Nuisance cases abated by contractor | 410 | 395 | 491 | 432 | 432 |
| Graffiti cases abated by contractor | 355 | 372 | 191 | 306 | 290 |
| Inoperable vehicles towed | 29 | 85 | 44 | 53 | 50 |
| Certificate of compliance inspections | 26 | 31 | 59 | 39 | 37 |
| Households provided long-term housing stability | 2,529 | 2,549 | 2,425 | 2,666 | 2,675 |
| Affordable housing units created or preserved | 2 | 17 | 24 | 50 | 134* |
| Homes improved or provided rehab or emergency repairs | 16 | 9 | 24 | 25 | 17 |
| Years of housing stability created | 2,829 | 3,194 | 3,505 | 4,541 | 6,950* |
| Persons who became homeless for the first time | 532 | 537 | 537 | 450 | 450 |
| Permanent supportive housing units | 921 | 940 | 367 | 400 | 420 |
| Persons accessing homeless services | 2,702 | 2,800 | 2,395 | 2,300 | 2,400 |
| Days person remains homeless in emergency shelters and transitional housing programs | 110 | 120 | 126 | 100 | 90 |
| Homeless persons sheltered | 448 | 214 | 206 | 270 | 270 |
| Households served with day support | 321 | 400 | 660 | 550 | 500 |
| Homeless persons who have an increase in earned income | 20% | 11% | 10% | 15% | 25% |
| Persons from street outreach successfully placed into housing or shelter | 10% | 53% | 53% | 55% | 60% |
| Sheltered persons successfully placed into permanent housing | 50% | 37% | 42% | 50% | 55% |

*The increase in these two performance measures is due to several projects that will be complete in FY 2024-25 (925 Apartments with 96 units and JCOC Apartments with 38 units).

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall appearance of the City | 81.7% | 66.0% | 56.2% |
| Mowing and tree trimming along City Streets and other public areas | 75.5% | 65.1% | 56.5% |
| Enforcement of mowing and cutting of weeds on private property | 51.4% | 47.2% | 47.0% |
| Enforcement of exterior maintenance of commercial/business property | 50.6% | 52.6% | 48.0% |
| Enforcement of junk and debris cleanup on private property | 42.3% | 55.3% | 46.0% |
| Affordability of housing options in the City | 21.5% | N/A | N/A |
| Variety of housing options in the City | 40.2% | N/A | N/A |
| Quality and condition of housing in your neighborhood | 81.7% | N/A | N/A |
| Overall appearance of your neighborhood | 81.0% | N/A | N/A |

*The increase in these two performance measures is due to several projects that will be complete in FY 2023-24 that will provide additional affordable housing opportunities

Trends and Issues

→ **Housing Instability**

Virginia Beach’s housing market has progressed showing both positive growth and emerging challenges as indicated by the recently completed 2024 Housing Study update completed by the Virginia Center for Housing Research at Virginia Tech. The median price of homes has increased by 36% indicating a strong demand. In addition, homes typically remain on the market for 40 days indicating a balanced market. In the rental sector, a 5% vacancy rate also indicates a well-balanced market. Despite these positive trends, Virginia Beach faces affordability and accessibility challenges. The lack of rental units affordable to very-low-income households coupled with limited homeownership opportunities for low- and moderate-income households brings a new problem. Virginia Beach’s tight housing market causes increased competition making it harder for first-time homebuyers and moderate-income buyers to purchase homes and for many renters to find quality affordable units. With the end of COVID -19 assistance, 2022 data indicates lower income households are facing much higher housing costs with less financial support. Federal HOME ARPA funding is now the primary means for assistance to reach residents continuing through September 2030.

→ **Need for Additional Funding and Policies to Address Homelessness**

There is an increasing need for continued funding and policies to address homelessness as there has been a rise in the unsheltered population after the COVID-19 pandemic. Virginia Beach has seen a significant increase in the demand for homeless prevention funding. To address this demand, the prevention and diversion program served over 400 households in FY 2023-24. These activities will continue using additional available American Rescue Plan Act (ARPA) funding sources to address the increased need across the city.

→ **Affordable Housing**

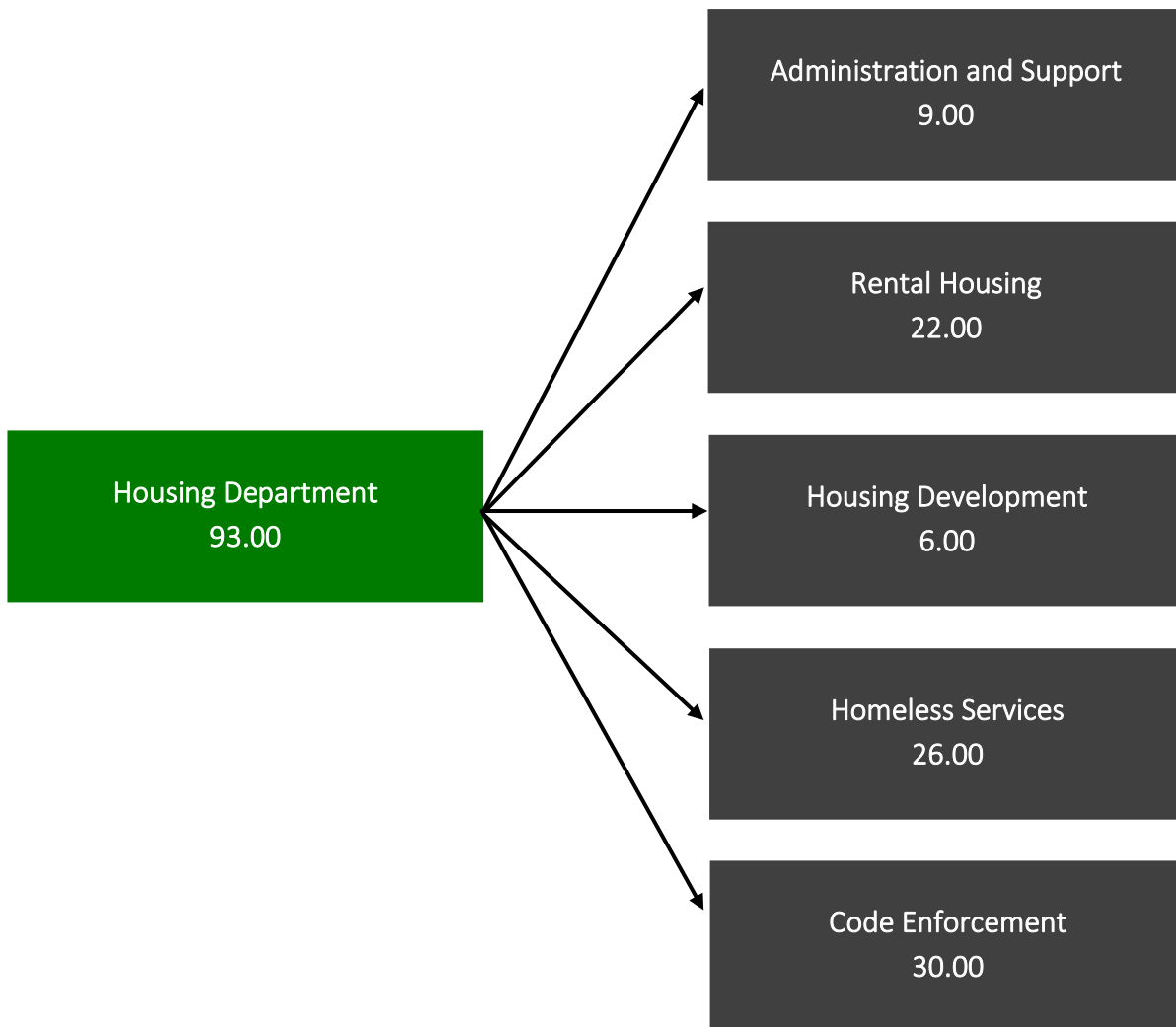
The 2024 Virginia Beach Housing Study indicates an increasing housing market tightness. The scarcity of affordable homes for low-income households presents a challenge. Housing Study data indicates changing demographics. Notably, a continuation of slow growth in population, smaller household size, more cost-burdened seniors living alone, and the younger generations are less able to purchase homes. The updated housing study proposes recommendations to build the City’s capacity for housing of various types affordable to a range of buyers and renters to include re-investment and revitalization of existing neighborhoods. The continuation of a city-funded owner-occupied rehabilitation program similar to an existing federally funded rehabilitation program will help owners maintain decent, safe, and affordable housing. Additionally, the Housing Choice Voucher Program will

be implementing small area fair market rent increases for all zip codes in the City of Virginia Beach that may help to address this issue.

Major Budget Changes

| | Change | Impact |
|---|--|--|
| ↑ | Owner-Occupied Rehabilitation Program \$100,000 | After the successful pilot program, the Housing Department will receive additional funding continuation of the Owner-Occupied Rehabilitation Program. This program helps to revitalize Virginia Beach neighborhoods by providing rehabilitation funding to low-to-moderate income homeowners that do not qualify for assistance under the current federal home rehabilitation program that the department administers. |
| ↓ | Building Maintenance Technician (1.0) FTE | The Building Maintenance Technician position was a projected need prior to mobilizing the Housing Resource Center and was established to serve as a liaison between the operations and maintenance contractor and the city. However, the contractor has a project manager and building technician on site and therefore this position has become obsolete. |

Department Organization Chart



City Of Virginia Beach, Virginia
Housing and Neighborhood Preservation - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Community Rehabilitation | 2,105 | - | - | - |
| Operations | - | - | - | - |
| General Operating Expenses | 7,114,502 | 7,600,449 | 8,515,877 | 915,428 |
| Total Expenditures | 7,116,607 | 7,600,449 | 8,515,877 | 915,428 |
| Revenue | | | | |
| Charges for Services | 172,795 | 240,000 | 320,000 | 80,000 |
| Permits, Fees, and Regulatory Licenses | 9,105 | - | - | - |
| Miscellaneous Revenue | - | - | - | - |
| Specific Fund Reserves | - | - | 100,000 | 100,000 |
| Total Revenues | 181,900 | 240,000 | 420,000 | 180,000 |
| General City Support | 6,934,706 | 7,360,449 | 8,095,877 | 735,428 |

FD260: Federal Section 8 Program Special Revenue Fund

| | | | | |
|-------------------------------------|-------------------|-------------------|-------------------|------------------|
| Expenditures | | | | |
| Family Support | 58,227 | 59,243 | 70,812 | 11,569 |
| Mainstream Vouchers | 1,371,333 | - | - | - |
| Vash Vouchers | 752,078 | - | - | - |
| Operations | 2,084,657 | 2,193,509 | 2,483,740 | 290,231 |
| Cloverleaf SRO Vouchers | 91,929 | 95,596 | 92,793 | (2,803) |
| Portability Payments | 1,624,462 | 2,405,340 | 2,275,000 | (130,340) |
| Vouchers | 18,484,447 | 21,208,682 | 22,288,093 | 1,079,411 |
| SRO Vouchers | 50,920 | 50,164 | 42,419 | (7,745) |
| HCV Mainstream 5 | 237,458 | 759,866 | 740,208 | (19,658) |
| Emerg HSG Voucher | 148,187 | 425,694 | 534,500 | 108,806 |
| General Operating Expenses | - | - | - | - |
| Total Expenditures | 24,903,697 | 27,198,094 | 28,527,565 | 1,329,471 |
| Revenue | | | | |
| Charges for Services | 1,688,704 | 2,606,322 | 2,455,000 | (151,322) |
| Miscellaneous Revenue | 121,200 | - | - | - |
| From the Use of Money and Property | 16,387 | - | - | - |
| Revenue from the Federal Government | 23,062,715 | 24,334,912 | 25,790,845 | 1,455,933 |

City Of Virginia Beach, Virginia
Housing and Neighborhood Preservation - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Specific Fund Reserves | - | 180,860 | 205,720 | 24,860 |
| Transfer In | 76,000 | 76,000 | 76,000 | - |
| Total Revenues | 24,965,005 | 27,198,094 | 28,527,565 | 1,329,471 |
| General City Support | (61,309) | - | - | - |

FD261: State Rental Assistance Program Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|----------------|------------------|------------------|----------------|
| Operations | - | - | 96,000 | 96,000 |
| State Rental Assistance | 723,363 | 1,244,748 | 1,361,690 | 116,942 |
| General Operating Expenses | (1) | - | - | - |
| Total Expenditures | 723,362 | 1,244,748 | 1,457,690 | 212,942 |

Revenue

| | | | | |
|------------------------------------|------------------|------------------|------------------|----------------|
| Miscellaneous Revenue | 3,514 | - | - | - |
| From the Use of Money and Property | 50,657 | - | - | - |
| Revenue from the Commonwealth | 1,192,938 | 1,244,748 | 1,457,690 | 212,942 |
| Total Revenues | 1,247,109 | 1,244,748 | 1,457,690 | 212,942 |
| General City Support | (523,746) | - | - | - |

FD270: Consolidated Grants Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|------------------|------------------|------------------|--------------|
| Inspections | - | - | - | - |
| Administration | - | - | - | - |
| Housing Development | - | - | - | - |
| Emerg HSG Voucher | 1,172 | - | - | - |
| General Operating Expenses | 2,021,533 | 3,285,056 | 3,284,274 | (782) |
| Total Expenditures | 2,022,704 | 3,285,056 | 3,284,274 | (782) |

Revenue

| | | | | |
|-------------------------------------|------------------|------------------|------------------|--------------|
| Revenue from the Federal Government | 1,852,265 | 3,285,056 | 3,284,274 | (782) |
| Total Revenues | 1,852,265 | 3,285,056 | 3,284,274 | (782) |
| General City Support | 170,439 | - | - | - |

FD272: Federal Housing Assistance Grant Special Revenue Fund

Expenditures

City Of Virginia Beach, Virginia
Housing and Neighborhood Preservation - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| General Operating Expenses | 378,376 | 1,234,149 | 1,249,150 | 15,001 |
| Total Expenditures | 378,376 | 1,234,149 | 1,249,150 | 15,001 |
| | | | | |
| Revenue | | | | |
| From the Use of Money and Property | 16,641 | - | - | - |
| Revenue from the Federal Government | 1,320,051 | 1,174,149 | 1,174,150 | 1 |
| Other Financing Sources | 63,175 | 60,000 | 75,000 | 15,000 |
| Total Revenues | 1,399,867 | 1,234,149 | 1,249,150 | 15,001 |
| General City Support | (1,021,491) | - | - | - |

FD273: Community Development Grant Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|------------------|------------------|------------------|------------------|
| Program Support | 41,856 | - | - | - |
| Inspections | 682,127 | 582,899 | 629,040 | 46,141 |
| Community Rehabilitation | 535,167 | 740,282 | 670,208 | (70,074) |
| Administration | 670,527 | 727,243 | 669,915 | (57,328) |
| Housing Development | 505,307 | 578,217 | 555,558 | (22,659) |
| General Operating Expenses | 1,007,957 | 3 | 1,195,361 | 1,195,358 |
| Total Expenditures | 3,442,941 | 2,628,644 | 3,720,082 | 1,091,438 |

Revenue

| | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|
| From the Use of Money and Property | 854 | - | - | - |
| Revenue from the Federal Government | 2,827,995 | 2,014,460 | 3,209,569 | 1,195,109 |
| Other Financing Sources | 72,203 | 75,000 | 75,000 | - |
| Transfer In | 539,184 | 539,184 | 435,513 | (103,671) |
| Total Revenues | 3,440,236 | 2,628,644 | 3,720,082 | 1,091,438 |
| General City Support | 2,705 | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
|--|----------------------|-----------------------|------------------------|--------------------------|

FD100: General Fund

Position Summary

| | | | | |
|--------------------|-------|-------|-------|------|
| General Operations | 44.34 | 49.17 | 49.59 | 0.42 |
|--------------------|-------|-------|-------|------|

City Of Virginia Beach, Virginia
Housing and Neighborhood Preservation - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| General Fund Positions | 44.34 | 49.17 | 49.59 | 0.42 |

FD260: Federal Section 8 Program Special Revenue Fund

Position Summary

| | | | | |
|---|-------|-------|-------|--------|
| Family Support | - | 0.90 | 0.94 | 0.04 |
| Operations | 19.32 | 20.38 | 21.47 | 1.09 |
| Cloverleaf SRO Vouchers | 0.16 | 0.14 | 0.14 | (0.01) |
| SRO Vouchers | 0.07 | 0.06 | 0.06 | - |
| HCV Mainstream 5 | 0.15 | 0.35 | 0.58 | 0.23 |
| Emerg HSG Voucher | 0.23 | 0.27 | - | (0.27) |
| Federal Section 8 Program Special Revenue Fund Positions | 19.93 | 22.10 | 23.18 | 1.08 |

FD261: State Rental Assistance Program Special Revenue Fund

Position Summary

| | | | | |
|--|------|------|------|--------|
| State Rental Assistance | 0.48 | 1.00 | 0.38 | (0.63) |
| State Rental Assistance Program Special Revenue Fund Position | 0.48 | 1.00 | 0.38 | (0.63) |

FD270: Consolidated Grants Special Revenue Fund

Position Summary

| | | | | |
|---|------|------|------|--------|
| General Operations | 1.35 | 1.30 | 1.20 | (0.10) |
| Consolidated Grants Special Revenue Fund Positions | 1.35 | 1.30 | 1.20 | (0.10) |

FD272: Federal Housing Assistance Grant Special Revenue Fund

Position Summary

| | | | | |
|--|------|------|------|--------|
| General Operations | 0.50 | 1.22 | 0.70 | (0.52) |
| Federal Housing Assistance Grant Special Revenue Fund Positio | 0.50 | 1.22 | 0.70 | (0.52) |

FD273: Community Development Grant Special Revenue Fund

Position Summary

| | | | | |
|-----------------|------|------|------|------|
| Program Support | 5.57 | - | - | - |
| Inspections | 8.02 | 5.81 | 6.01 | 0.20 |

City Of Virginia Beach, Virginia
Housing and Neighborhood Preservation - Departmental Resource Summary

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|---|--------------|--------------|--------------|---------------|
| | Actual | Amended | Proposed | from FY 2024 |
| Administration | 5.83 | 5.85 | 5.70 | (0.15) |
| Housing Development | - | 5.55 | 5.55 | - |
| General Operations | 2.00 | 2.00 | 0.70 | (1.30) |
| Community Development Grant Special Revenue Fund Positions | 21.42 | 19.21 | 17.96 | (1.25) |
| Total Positions | 88.00 | 94.00 | 93.00 | (1.00) |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

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. Staff 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

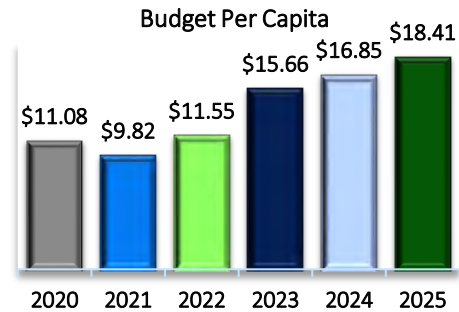
Conducts and engages in educational and informational programs to promote mutual understanding among citizens. The Commission serves as a forum for discussion on human rights issues, conducts studies, proposes solutions for the improvement of human relations, and provides referral assistance to persons 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)/American Disability Act (ADA)/Diversity Programs

Provides consultative services to departments in managing 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.



*The increase in FY 2022-23 is attributed to the addition of new positions in response to the Hilard Heintze report recommendations.

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 Department of Motor Vehicles checks and supports city operations conducting ergonomic evaluations of workstations, indoor air quality testing, job hazard studies, and safety compliance training.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|--------|---------|-------------|--------------|
| Number of Participants attending Learning & Development instructor led courses | 3,248 | 3,050 | 3,500 | 4,200 | 4,200 |
| Number of Participants attending Learning and Development e-learning courses | 2,971 | 5,066 | 5,500 | 6,000 | 6,000 |
| Number of participants attending Occupational Health and Safety Training | 4,000 | 3,664 | 3,700 | 3,800 | 3,800 |
| Number of medical exams/nursing services | 15,693 | 14,997 | 15,000 | 15,500 | 15,500 |
| Number of employee injuries reported | 966 | 935 | 1,000 | 1,000 | 1,000 |
| Percent of positions filled within 60 days of initial advertisement | 41% | 52% | 53% | 53% | 55% |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73.0% | 38.0% | 40.6% |
| Overall quality of services provided by the City | 71.1% | 47.8% | 50.5% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Availability of information about local government services and activities | 52.0% | 52.5% | 47.5% |
| Overall value that you receive for your City tax dollars and fees | 52.8% | 33.8% | 33.8% |
| Usefulness of the City's website | 59.0% | 45.5% | 43.4% |

Trends and Issues

→ Continuing Efficiency through Deployment of Technology

- In partnership with IT, Benefits, and Finance, Human Resources is working on the selection of a System Implementor for the new Human Resource Management (HRM), Workday. Workday will better enable the City to manage people activities associated with life cycle employment. The current system, Oracle EBS (Insite), has served as the HRM since 2008.
- The Talent Acquisition Team has engaged multiple social media platforms and a virtual Q&A platform to engage directly with passive and active career seekers, thereby enhancing recruitment efforts.
- Learning & Development continues to offer more in-person classes while leveraging virtual instructor led training, e-learning platforms, and VB Online (asynchronous training) to allow members multiple access points for continuous professional and organizational development.

→ Recruitment

- In FY 2023-24, Human Resources created and staffed a Talent Acquisition Team (4FTEs) to actively source candidates. Sourcing strategies include weekly Recruiter Q&A sessions to enhance the candidate experience, building sponsored social media recruitment campaigns, utilizing LinkedIn Recruiter to reach out to candidates directly, creating partnerships with veteran agencies, and attending employment fairs and events.
- Human Resources organized a City career fair in October 2023 at the Virginia Beach Convention Center and attracted close to 500 attendees.
- Human Resources continues to utilize existing relationships with local colleges and military transitioning programs to attract talent. In the past year, HR has partnered with operational departments to identify programs and educational institutions outside the local area to engage in additional networking and recruitment activities.
- The City has partnered with HireVetsNow and Hiring our Heroes – Skillsbridge to recruit and attract transitioning military members to City of Virginia Beach employment.
- Human Resources continues to facilitate relationships with colleges and universities to enhance and enrich the City's internship program. The program continues to grow and has resulted in multiple entry level professional hires.
- Total vacancies in March 2023 were 719 and as of February 2024 there are 679 vacancies. A substantial number of FTEs was added last year, making the number of filled vacancies over the past year even higher. Progress is being made to fill vacancies and attract quality employees to City jobs.

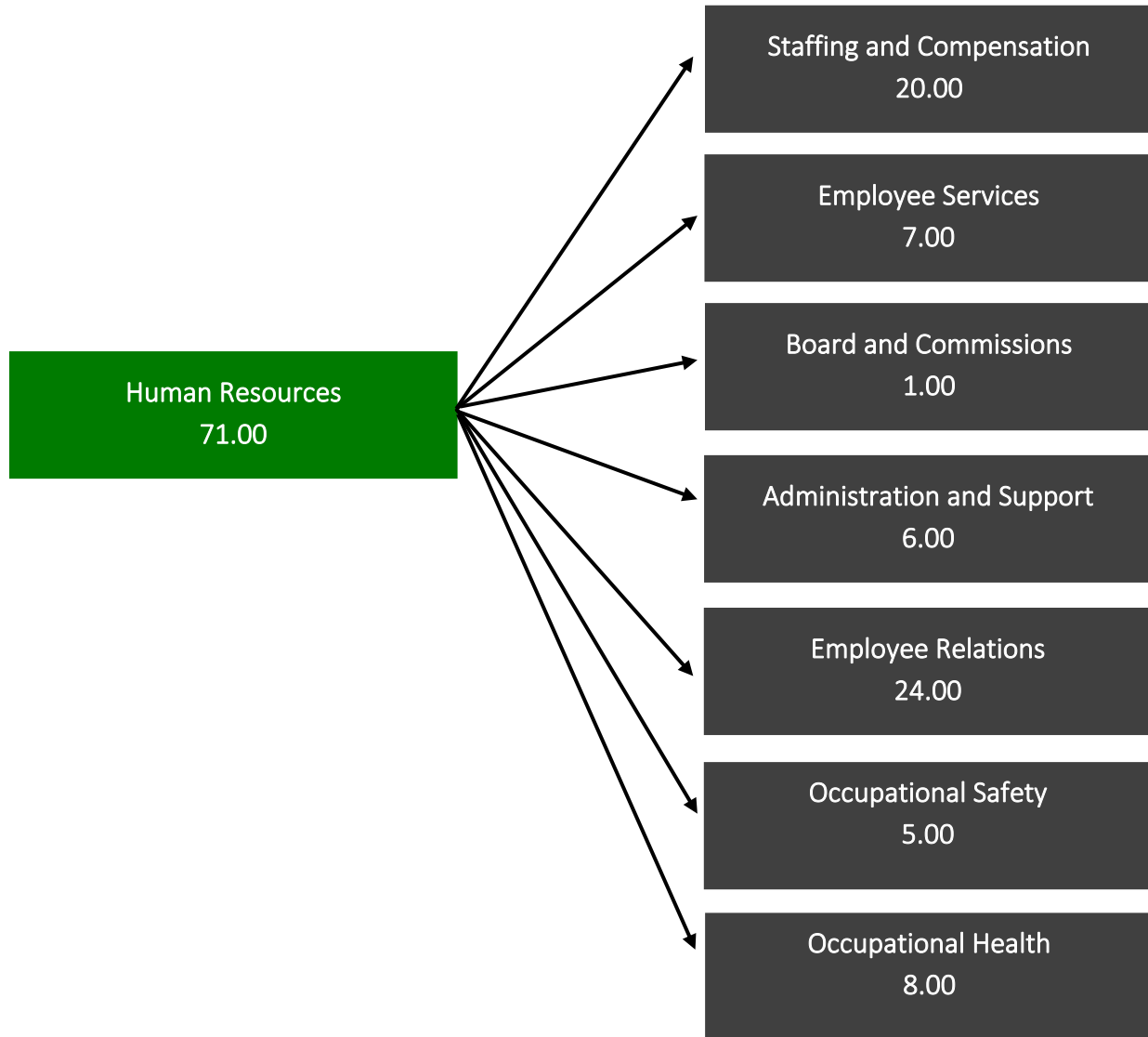
→ Employee Safety and Wellness

- In response to the Hillard Heintze report recommendations, the City continues centralization of employee relations to ensure more consistency in the handling of employee concerns.
- Mental health needs of the workforce are a continued core focus. The tragedy of May 31, 2019, the COVID-19 pandemic and the resulting increase in family issues have resulted in increased usage of the City's Employee Assistance Program (EAP).
- Industrial hygiene assessments of worksites addressing asbestos, lead, indoor air quality (mold and allergens), infectious bacteria, and viral pathogens have increased. As facility infrastructure continues to age, these assessments will continue to increase.
- Emergency Action Planning continues to be a priority, and the Department continues to partner with the Department of Emergency Management, the Fire Department, and other departments/offices to identify resources to prepare the workforce to respond accordingly. Activities include annual review of facility emergency plans and protocols, worksite safety assessments, engaging with site and department leaders, documenting plans, and training all affected workforce annually as required by regulatory code.

Major Budget Changes

| | Change | Impact |
|---|---|--|
| ↑ | Position Increase: Administrative Specialist I 1.0 FTE \$62,328 | This budget includes the addition of the annualized cost of an Administrative Specialist to assist those who were directly affected by May 31, 2019. This position was transferred from the City Manager's Office of Volunteer Resources in FY2023-24 and will fulfill the needs that will be promulgated after the closing of the VB Strong Center in September 2024. |

Department Organization Chart



City Of Virginia Beach, Virginia
Human Resources - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Human Rights Commission | 79,989 | 95,115 | 91,393 | (3,722) |
| Special Benefits | (531,116) | - | - | - |
| Training, Learning, and Development | 601,195 | 846,279 | 873,470 | 27,191 |
| Police Services | 3,246 | - | - | - |
| Member Communications | 63,695 | - | - | - |
| Occupational Health | - | - | 741,689 | 741,689 |
| Occupational Safety | - | - | 534,223 | 534,223 |
| Administration | 988 | - | - | - |
| General Operating Expenses | 5,738,554 | 7,193,328 | 6,108,860 | (1,084,468) |
| Total Expenditures | 5,956,550 | 8,134,722 | 8,349,635 | 214,913 |
| Revenue | | | | |
| Charges for Services | -1,913 | - | - | - |
| Permits, Fees, and Regulatory Licenses | -45 | - | - | - |
| Miscellaneous Revenue | - | 253 | 13,253 | 13,000 |
| From the Use of Money and Property | - | 1,200 | 1,200 | - |
| Transfer In | 71,700 | 91,900 | 91,900 | - |
| Total Revenues | 69,742 | 93,353 | 106,353 | 13,000 |
| General City Support | 5,886,808 | 8,041,369 | 8,243,282 | 201,913 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Human Rights Commission | 1.00 | 1.00 | 1.00 | - |
| Training, Learning, and Development | 7.00 | 7.00 | 7.00 | - |
| Member Communications | 1.00 | - | - | - |
| Occupational Health | - | - | 8.00 | 8.00 |
| Occupational Safety | - | - | 5.00 | 5.00 |
| General Operations | 57.00 | 63.00 | 50.00 | (13.00) |
| Total Positions | 66.00 | 71.00 | 71.00 | 0.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

HUMAN SERVICES



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

Department Overview

The Department of Human Services is comprised of the following service areas:

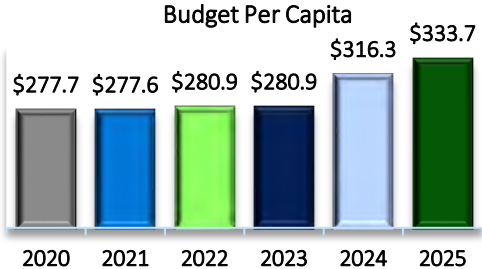
Administration

Provides leadership and support to all divisions. This division consists of the Department Director, Medical Director, and Deputy Directors and includes the Continuous Quality Improvement, Business Administration, and Personnel functions.

Social Services

Assists residents in meeting their fundamental needs during times of temporary economic and social crisis through the provision of:

- Child and adult protection services to safeguard vulnerable residents from neglect and abuse.
- Child welfare services such as adoption and foster care.
- Employment services and supports including training and placement assistance.
- Family support services with the goal of keeping families together or quickly reunifying them.
- Federal benefit programs including Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), Day Care Assistance, Long-term Care, and Medicaid eligibility.
- The Children’s Services Act (CSA) team works with at-risk youth and their families to assess their strengths and needs to identify and provide services that are child-centered, family-focused, and community-based.
- The Juvenile Detention Center provides temporary and safe custody of juveniles that have criminal charges and requires a restricted environment for their own protection or the protection of the public.



Behavioral Health and Developmental Services (Community Services Board-CSB)

The Behavioral Health Division provides a continuum of services designed to prevent, treat, and support ongoing recovery for adults and youth experiencing mental health conditions, substance use disorders, or co-occurring disorders. The Developmental Services Division provides an array of services for individuals with intellectual and developmental disabilities that includes service coordination, skill building and residential care with the goal of achieving the highest level of independence possible. The Community Corrections and Pretrial Program provides investigations, risk assessments, supervision and referrals for individuals referred by the court who have non-violent misdemeanor and felony charges with a focus on safety and meeting individual needs to support success.

Programs include, but are not limited to:

- Prevention and education services in schools and throughout the community to increase awareness, offer training and resource information, and promote healthy lifestyles.
- Outpatient services for children and adults that includes Same Day Access to a behavioral health assessment and an array of services including psychiatric care and medication management, nursing and primary care health screenings, peer support, and trauma-informed therapy modalities.
- Specialized substance use disorder services to promote recovery including medication assisted treatment, intensive outpatient program, residential treatment opportunities, peer support services and a Peer Drop-In Center.
- Case management services that are person-centered, promote recovery and resiliency, and provide the necessary care coordination to connect individuals to services that promote wellness and stability in a community setting.
- Day support and psycho-social rehabilitation services for adults with serious mental illnesses and/or intellectual disabilities that build daily living skills, enhance social engagement, and foster independent living.
- Discharge assistance planning for individuals returning to the community from state hospitals or correctional facilities to facilitate successful re-entry into the community.
- Assertive Community Treatment (ACT) which consists of an interdisciplinary team that provides comprehensive services to include medication management, case management, counseling, and skill-building in the community for individuals with severe behavioral health conditions that have not improved with traditional outpatient services.
- Emergency Services provides 24-hour response to behavioral health emergencies by providing consultation, referrals, assessment, and prescreening services.
- Mobile Co-Responder Team (MCRT) provides a community response to behavioral health crisis situations that includes an Emergency Services Clinician and a CIT Police Officer co-responding to offer safe, therapeutic interventions to stabilize situations and prevent escalation leading to hospitalization or incarceration.
- Mobile Crisis Response and Community Stabilization to provide rapid response, assessment, and early intervention for behavioral health crisis de-escalation and to provide a warm handoff to ongoing community-based services.
- Adult Correctional Services that provide screening, care coordination, assessment, relapse prevention, restoration to competency, re-entry planning and peer support for adults in the Virginia Beach Correctional Center who have a behavioral health condition.
- Outreach and assistance to adults with a serious mental illness and/or substance use disorder who are experiencing or are at risk for homelessness.
- Care coordination and an array of supportive services for pregnant and parenting women and their children whose lives have been impacted by substance use.
- CARF-accredited vocational services for individuals with behavioral health and/or intellectual disabilities to assist with meaningful employment opportunities.
- Early intervention services that include assessment, care coordination, and a variety of therapies for children from birth to age three with developmental delays and/or disabling conditions that may result in a delay.

- 24-hr group home residential settings for individuals with developmental disabilities that provide a safe and supportive living environment while fostering independence.
- Intermediate Care Facilities that provide 24/7 residential care and support for individuals with intellectual disabilities, physical impairment, and chronic health conditions.
- Supportive in-home services for adults with developmental or intellectual disabilities customized to the needs of the individual to promote independence and maintain community housing.
- Community Corrections and Pre-Trial services working collaboratively with the local court system to find alternatives to incarceration and reduce recidivism for eligible adults convicted of non-violent crimes.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|-------------|--------------|
| Clients with developmental disabilities in residential services | 44 | 36 | 97 | 93 | 89 |
| Cases opened to TANF by year-end | 613 | 533 | 548 | 550 | 550 |
| Number of Child Protective Service complaints assessed | 1,391 | 1,400 | 1,512 | 1,600 | 1,688 |
| Number of juvenile offenders detained in temporary and safe custody | 265 | 296 | 408 | 458 | 508 |
| Number of Mobile Co-responder Team (MCRT) crisis calls for service | 498 | 402 | 495 | 515 | 530 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The Survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The survey results compare Virginia Beach to the Atlantic Region and National average. Services provided by Human Services with regards to mental health services for children and adults, behavioral health services and benefits administration all result in a better quality of life which resonates with residents as shown by the result of the resident satisfaction survey in the table below. Virginia Beach residents rank the city much higher than other cities in the Atlantic region or even nationally.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Percent of citizens satisfied with the overall quality of services provided by the City | 75.3% | 53.6% | 50.5% |
| Percent who view the City as a place to live | 89.7% | 60% | 49.7% |
| Percent who view the City as a place to raise children | 84.1% | 69.1% | 62.4% |

For Human Services specific satisfaction survey rating, 53% of Virginia Beach residents rated the overall quality of services provided by the City e.g., adult services, family services, juvenile services, public assistance as good/excellent in the recently conducted survey. While residents seem to be relatively happy with the overall quality of services provided by the city for services offered by Human Services, residents indicate they would like the City Council to continue to focus on the overall quality of its public assistance, adult, family, and juvenile services, with 45.8% of residents saying it should be a high priority for the City over the next two years.

Trends & Issues

→ SNAP and Medicaid Benefits

The Department of Human Services must comply with the timeliness requirements to meet State and Federal mandates. In Virginia Beach, applications received in the Supplemental Nutrition Assistance Program (SNAP) averaged 1,566 in State Fiscal Year 2023. For Medicaid, applications received averaged about 1,281 in State Fiscal Year 2023.

In the Medicaid program, a reduction in Medicaid recipients is expected for fiscal year 2024 due to reactivation of the Medicaid renewals after 3 years of suspension called Medicaid Unwinding. As Medicaid coverage is re-evaluated, additional case closures are probable.

| SNAP and Medicaid Recipients by Fiscal Year | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 (EST) | FY 2024-25 (EST) |
|---|------------|------------|------------|------------------|------------------|
| SNAP | 42,339 | 45,471 | 50,909 | 55,000 | 55,000 |
| Medicaid | 87,104 | 97,495 | 109,032 | 99,000 | 99,000 |

→ Child Welfare Trends

Child Protective Services (CPS) validated referrals have remained consistent over the past two years. The CPS referrals are increasingly complex and high risk due to caretaker substance use issues and the behavioral health needs of adults and children. The in-home CPS unit that is responsible for providing case management services for high-risk CPS families average 110 open family services cases per month. The Foster care unit consistently provides foster care services for approximately 160 children under the age of eighteen.

→ Adult and Aging Trends

The Adult and Aging program has implemented a multidisciplinary team to assist with hard to service residents. The following data is compiled from the Commonwealth’s case management system:

| Adult and Aging Trends | 2019 | 2020 | 2021 | 2022 | 2024 |
|------------------------------------|--------|-------|-------|-------|-------|
| Reports received for investigation | 1,246* | 2,001 | 2,283 | 2,117 | 2,479 |

* This number reflects a partial year due to the change in the case management system

The Adult and Aging Division continues to see an increase in the complexity of protective services investigations and the needs for our older and disabled adults. In addition to the investigative practices, services are provided such as Medicaid home-based care services, screenings for facility placements, in-service trainings for our community partners and the monitoring of clients in our Guardianship Program.

→ Opioid Abatement

The opioid epidemic continues to impact communities across the nation and in the City of Virginia Beach. Funds resulting from the litigation settlement with prescription opioid manufacturers and distributors started to flow to localities for the purpose of preventing, treating, and reducing opioid use disorders. The settlement funding is divided into 3 types: 1) direct distribution, 2) individual distribution and 3) regional collaborative partnerships.

During the last year, over 50 stakeholder meetings were held to gain input from the public and professionals who have direct experience with individuals impacted by opioid use. In addition, there were two town halls and five listening sessions and widely distributed a survey to gain public input. The sessions were heavily advertised and offered in different districts at a variety of times to welcome residents to share their thoughts, concerns, and needs regarding the opioid epidemic.

Based on stakeholder input, a plan was developed and subsequently approved by City Council on June 27, 2023, to employ the direct distribution funding to support a diverse strategy that includes multiple partners with a focus on prevention, accessibility, treatment, awareness, and early intervention. On April 25, 2023, the Virginia Beach City Council approved a Resolution to enter into agreements with other Region 5 localities to pursue funding from the Virginia Opioid Abatement Authority (VOAA) for a regional collaborative strategy to address the opioid epidemic. Since that time, multiple regional meetings have been held to evaluate community input, identify gaps, and develop a regional proposal. The goal is to have a final proposal drafted and receive approval from city leadership, then submit the regional application to VOAA by March 30, 2024. In addition, stakeholder meetings have been held to evaluate the best strategic approach to maximize opportunities with the Virginia Beach Individual Distribution with the goal of having the three funding streams offer a cohesive approach that will have a meaningful impact.

→ Increased Community Engagement

To increase awareness about services and reflect a welcoming environment, virtual walkthrough videos were created for Adult Behavioral Health, Child & Youth Behavioral Health, and Developmental Services programs. The videos were recorded onsite to demonstrate the experience of entering services and provide an overview of services that are available to residents. The videos will be finalized in the near future and be shared widely in the community.

The Child and Youth Behavioral Health Division (CYBH) has collaborated with Virginia Beach Public Schools and other community partners to provide education, prevention and breakout sessions related to mental health and wellness at a number of community events. These events have included teaching breakout sessions, providing information about 988 and crisis services, along with education regarding public mental health services available through CYBH.

The Adult Behavioral Health Division facilitated trainings for citizens and participated in community engagement events in order to raise community awareness regarding behavioral health issues and available resources. From June – December 2023, 76 trainings were provided to a total of 5287 citizens and we participated in 40 community events outreaching 8003 citizens. Through our various media campaigns, the vendors have calculated that there have been 6,838,307 impressions of our information, meaning that it has been seen that many times. For our online media campaigns, 3,736 individuals have clicked on the links for more information.

→ Child and Youth Behavioral Health Services

The Child and Youth Behavioral Health Division (CYBH) continues to work with the Virginia Beach City Public Schools to enhance service delivery. CYBH has a designated School Liaison position to help facilitate coordination of services with the school system. In February 2023, CYBH launched the new Rapid Response program with the schools. This program provides free behavioral health screening, assessment, and linkage to services for elementary aged youth identified by the schools as having a possible behavioral health need. Clinical staff work with the youth and family to identify the best resources to meet behavioral health needs. The program received 92 referrals in the first 4 months of operation. A total of 125 referrals have been submitted by the schools since program inception. Recently, it was decided to expand this program to children qualifying for Pre-school services within the school system to aid in the earliest identification possible of youth with behavioral health needs.

Due to the increasing needs, an expansion is planned to initiate Outpatient services within the school division and 2 full time Clinician III positions have been allocated to provide brief therapy services in the school setting. The goal is to help eliminate barriers to services by allowing service intake and provision to occur within the school setting. Licensed clinicians remain in high demand across the behavioral health landscape and subsequent workforce shortages have delayed the implementation of this endeavor; however, active recruitment strategies will be employed to pursue qualified clinicians.

In addition, the Child and Youth Behavioral Health Division is expanding its Parent Child Interaction Therapy (PCIT) service. PCIT is a strong evidenced-based treatment that works with youth ages 2-7 and their caregivers to help reduce behavioral outbursts and teach caregivers how to build positive relationships with their child and set appropriate limits. Construction has begun to create 2 state-of-the-art PCIT clinic rooms that meet the highest standard for program implementation. There are currently 4 clinicians providing this evidence-based service and 2 of these are in the process of becoming Certified PCIT Agency Trainers which will provide opportunities for additional growth. Since July 1, 2023, CYBH has received 29 referrals for PCIT and enrolled 14 eligible new youth into the service. This is a 40% increase in enrollments compared to the previous year (10). In total, 20 children have received the service this fiscal year with 15 having positive clinical outcomes. With the new service area and certified clinicians, we anticipate that the numbers served will continue to grow in the upcoming year.

The Early Intervention/Infant Program serves children from birth to age three who have developmental delays, atypical behavior, and/or a disabling condition that is likely to result in a delay in their development. Children referred receive eligibility determination at no charge. Eligible children receive assessment, service coordination, speech, physical, and/or occupational therapy, educational services, in addition to various other needed supports. On average, the unit served approximately 800 children per month. During the COVID-19 pandemic, center-based classes had been suspended but were reinstated in January 2023. 107 eligible children have had the opportunity to participate in the 8-week program with classes that assist them in preparing for their transition to school classrooms. During instruction, children participate in activities that boost development, familiarize them with classroom appropriate behavior, promote socialization and empower their caregivers with tools and techniques to support them through the transition.

→ Developmental Services (DS) Case Management and Increased Requirements

DS Case Management provides care coordination and linkage to resources for approximately 1,000 individuals with a primary diagnosis of a developmental disability. The program has experienced increased documentation and assessment responsibilities due to the Commonwealth's requirements under the Department of Justice Settlement Agreement. In response to the ongoing demands, three vacant full-time

positions were transferred from other DS programs to bolster capacity to maintain the increased workload. Vacancy rates have been a challenge and active recruitment is ongoing.

→ **Comprehensive Health Record Implementation**

The Comprehensive Healthcare Records (CHR) program was established with a goal to improve client care and safety by establishing a modernized electronic healthcare records system. Under this program, BHDS implemented a new electronic healthcare records system (Oracle Millennium EHR), a residential case management system (Care Tracker) and a new system for electronic prescriptions for controlled substances (EPCS).

The project was previously implemented in 9 months with Oracle’s Engagement Team, DHS staff and City IT with a total of 11,368 project hours expended during implementation and the reliability period that followed. As part of the transition, intensive training was provided for 628 staff and 119 in-person classes were held for clinicians, nurses, prescribers, service coordinators, and social workers. Recognizing the need for ongoing staff training, a full-time clinical training position was established.

→ **Expansion of Substance Use Disorder Services**

BHDS has expanded its substance use disorder (SUD) services continuum to meet the increasing needs of our residents, both in clinical treatment and peer recovery services. In the treatment area, the following expansions are either underway or in the preparation phase:

- Funded by the City’s direct distribution Opioid Abatement allocation, two new clinician positions were added to the Adult Correctional Services program to begin offering clinical SUD treatment in the Virginia Beach Correctional Center to prepare individuals for successful re-entry into the community. The new positions are currently advertised.
- In the fall of 2023, the new Pathways to Wellness substance use outpatient treatment services began offering expanded and specialized clinical services to individuals with substance use disorder. Plans are also underway to begin the Pathways to Hope substance use intensive outpatient program (IOP) in the spring of 2024 after building renovations and licensure approval is complete. Both programs will provide evidence-based clinical treatment modalities.
- RESTORE Office-Based Addiction Treatment (OBAT) program provides a combination of medications, counseling, and behavioral therapies to treat individuals with opioid and alcohol use disorders. The program has increased its service delivery by 36% between 2022 and 2023 and has added a clinician to provide case coordination, assessment, linkage, and recovery supports to clients as the program grows.
- Peer recovery services are also expanding to outreach and engage individuals with substance use disorder. Peers have lived experience with substance use and are in recovery, hence they are able to connect with individuals in a unique and engaging way. Drug Court and RESTORE have both expanded their service continuum with the addition of a peer position. Additionally, in the fall of 2023, DHS began offering a Peer Drop-in Center to provide a place for individuals in various stages of recovery to seek support, education, and resources.

→ **Crisis Service Expansion**

As the behavioral health crisis needs gain increasing attention across the Commonwealth, the City of Virginia Beach continues to respond to these needs. The City’s innovative and award-winning Mobile Co-Responder Team (MCRT) continues to have exceptionally high success rates with individuals in a behavioral health crisis. In fact, diversion from arrest averaged over 95% and diversion from involuntary hospitalization averaged 90% since the inception of the program in 2018.

On November 1, 2023, DHS Emergency Services (ES) and Emergency Communications and Citizen Services (ECCS) began a pilot program where an ES clinician is embedded in ECCS to assist with 911 calls from residents with a behavioral health need. The goal of the pilot program is to determine if this collaboration can assist with diverting individuals in a behavioral health crisis and more efficiently facilitate connection to the City's behavioral health continuum of care when the situation is assessed to not require a police or EMS response. The pilot hours are Wednesdays 10 am-10 pm & Fridays 10 am-8 pm. Preliminary reports indicate that approximately 2-3 calls are transferred to Emergency Services staff each shift. The team will continue to assess additional opportunities to maximize integration.

→ **Growth of Permanent Supportive Housing**

The need for safe and affordable housing continues to be a priority and state funding for Permanent Supportive Housing (PSH) has grown due to the significant need for housing options for individuals with serious mental illness in the City of Virginia Beach as well as the successful outcomes of the DHS PSH program. The program has served 175 individuals since inception in 2017 and the number of available housing slots has increased 173%. The program began with 52 housing slots and a budget of \$740,195 and was expanded to 142 housing slots in 2023 with a budget of \$2,507,672. The state has tentatively appropriated an additional 77 new slots with a total budget of \$3,857,672 in 2024. To enhance housing opportunities, we are exploring strategies to create additional PSH options at our Beach Park East residential site.




→ **Forensic Service Enhancement**

In October 2023, the FY2023 Annual Report was finalized for the Jail and Re-entry Services program which is an innovative partnership between DHS and the Virginia Beach Sheriff's Office. This innovative partnership increased integration and collaboration between behavioral health staff deputies, jail medical providers, and other stakeholders. Their collective mission is to provide optimal care for individuals with behavioral and substance use disorders during their incarceration at the Virginia Beach Correctional Center (VBCC) and to ensure a seamless transition as these individuals reintegrate into the community. The report offers the most recent data and shows that 1,920 behavioral health screenings were completed and 326 were enrolled into the program. The report also demonstrates the program's success with helping enrolled individuals re-enter the community with only a 4% recidivism rate which reflects that value of the services.

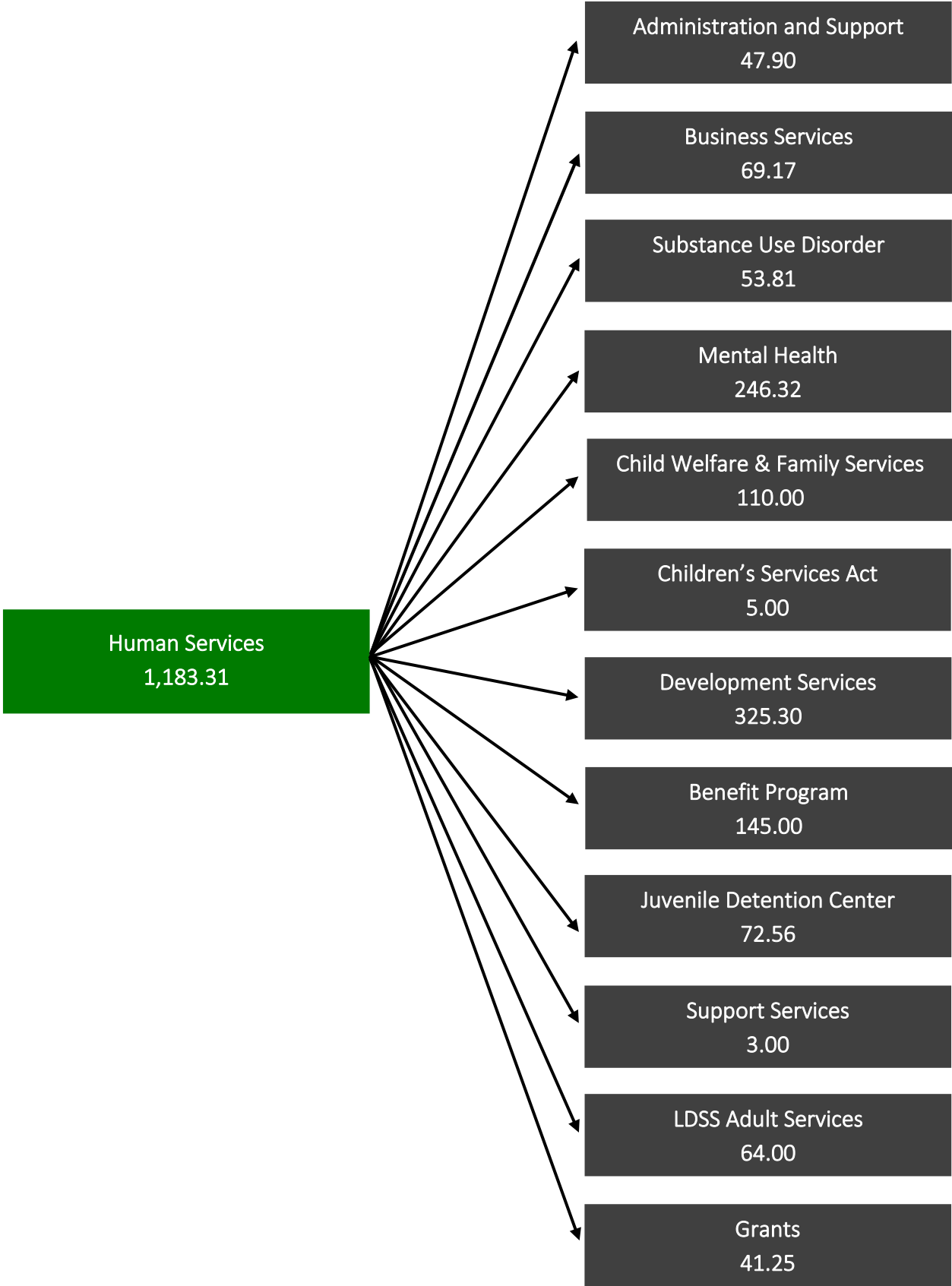
There continues to be large numbers of individuals with behavioral health conditions entering the court system. According to the Virginia Department of Behavioral Health and Developmental Services, the percentage of Virginia's incarcerated individuals with identified mental health needs has grown by 42% in the last 10 years, with 24% of that increase happening in the last 2 years. To enhance opportunities for diversion, Adult Correctional Services has established a new process for a Forensic Discharge Planner to work with the General District Court during the arraignment period to identify diversion opportunities. The goal of this initiative is to link low-risk individuals with treatment in lieu of incarceration when possible.

The Adult Correctional Services Team relocated from Building 29 at the Municipal Center into vacant office space at the Virginia Beach Courthouse (Building 10B) adjacent to the Community Corrections and Pretrial Offices on February 20, 2023. The relocation has enhanced collaboration with stakeholders and access to behavioral health consultation. Judges are quickly able to access a clinician in their courtroom when they have questions about services or need assistance for a defendant before the court.

Major Budget Changes

| | Change | Impact |
|---|---|---|
|  | Increased Revenue \$4.9 Million | The Human Services Department expects to generate \$4.9 Million in additional revenue in FY 2024-25. This uptick in revenue is primarily due to anticipated increases in fee revenue resulting from an expanded Medicaid client base and improved services in various Behavioral Health and Developmental Services programs. |
|  | Contract Security \$403,717 | In FY 2024-25 the Human Services Contract Security Budget will be increased by \$403,717. This will increase security in Benefits waiting areas, the Supportive Residential Services facility, and for the Human Resource Center (3 rd floor). |
|  | Position Adjustments (10.51) FTEs \$1,150,689 | In FY 2023-24, Human Services closed the Kentucky Avenue Intermediate Care Facility (ICF). Out of the 25 positions allocated to the Kentucky ICF, 10.51 FTEs were eliminated as a part of the FY 2024-25 Operating Budget. The remaining positions will be transferred to the West Neck ICF. Any patients that were receiving care at the Kentucky ICF will also be transferred to the West Neck ICF. |

Department Organization Chart



City Of Virginia Beach, Virginia
Human Services - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Benefits Administration | 10,393,787 | 2,095,379 | 2,282,224 | 186,845 |
| Employment Services | 4,609,367 | 4,961,626 | 5,370,396 | 408,770 |
| Adult Services | 3,351,258 | 3,206,354 | 3,628,145 | 421,791 |
| Benefits Fraud Investigation | 370,253 | 415,785 | 443,379 | 27,594 |
| Adult Mobile Crisis | 144,186 | 330,852 | 669,494 | 338,642 |
| Holiday Project | - | - | - | - |
| OBAT Program | - | - | 300,164 | 300,164 |
| Program Support | - | 20,784 | 20,784 | - |
| Sheriff's Workforce | 210 | - | - | - |
| Reimbursement | 851,349 | 1,026,208 | 1,038,164 | 11,956 |
| Continuous Quality Improvement | 2,736,893 | 3,186,479 | 3,124,004 | (62,475) |
| Personnel | 616,798 | 816,078 | 904,482 | 88,404 |
| Transportation | 883,596 | 1,452,400 | 1,478,957 | 26,557 |
| Facilities and Fleet Management | 837,399 | 800,313 | 859,362 | 59,049 |
| Payroll | 303,770 | 292,281 | 311,844 | 19,563 |
| Senior Adult Services | 4,132 | 4,500 | 4,670 | 170 |
| Adult Outpatient Services | 6,099,832 | 8,808,091 | 8,943,713 | 135,622 |
| Community Rehabilitation | 1,110,660 | 1,647,045 | 1,594,817 | (52,228) |
| Emergency Services | 1,824,404 | 1,897,459 | 2,021,285 | 123,826 |
| Child and Youth Services | 14,651,687 | 14,344,407 | 14,884,194 | 539,787 |
| Permanent Supportive Housing | 1,187,052 | 2,452,256 | 2,179,655 | (272,601) |
| Crisis Management | 823,753 | 1,158,667 | 1,054,576 | (104,091) |
| Residential Services | 1,847,496 | 2,369,029 | 2,460,804 | 91,775 |
| Projects for Assistance in Transition from Homelessness (PATH) | 184,598 | 298,856 | 300,639 | 1,783 |
| Program of Assertive Community Treatment (PACT) | 1,593,476 | 1,836,246 | 1,904,155 | 67,909 |
| Complex Care Fund | 4,952 | 56,000 | 56,000 | - |
| Office of Consumer and Family Affairs | 190,999 | 191,518 | 210,575 | 19,057 |
| Case Management | 5,790,461 | 7,142,209 | 8,000,151 | 857,942 |
| SkillQuest | 2,990,330 | 3,051,552 | 3,858,932 | 807,380 |
| Respite Care Program | 501,723 | 460,382 | 408,159 | (52,223) |
| Infant Program | 2,961,656 | 3,106,866 | 3,470,216 | 363,350 |

City Of Virginia Beach, Virginia
Human Services - Departmental Resource Summary

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|--|--------------------|--------------------|--------------------|------------------|
| | Actual | Amended | Proposed | from FY 2024 |
| Supportive Living | 2,506,172 | 2,847,487 | 2,840,321 | (7,166) |
| Skilled Nursing | 707 | - | - | - |
| Family Support | 16,104 | 38,783 | 38,783 | - |
| Group Homes | 2,684,608 | 2,793,490 | 3,085,236 | 291,746 |
| Medically Assisted Treatment | 407,553 | 476,767 | 405,087 | (71,680) |
| Pathways Center | 1,495,333 | 3,347,619 | 150,000 | (3,197,619) |
| Adult Day Treatment Services | 5,913 | 6,557 | 6,879 | 322 |
| Prevention | 670,222 | 667,620 | 706,441 | 38,821 |
| Adult Correctional Services | 1,012,912 | 1,200,005 | 1,374,891 | 174,886 |
| HIV Prevention | 99,464 | 28,722 | 103,905 | 75,183 |
| Project Link | 188,106 | 329,332 | 435,882 | 106,550 |
| Regional Opioid Recovery | - | 175,740 | 175,740 | - |
| MARCUS Alert | 327,030 | 593,809 | 659,998 | 66,189 |
| Substance Use - Drop In | - | - | 209,656 | 209,656 |
| Substance Use - IOP | - | - | 2,189,825 | 2,189,825 |
| Administration | 3,999,966 | 4,249,763 | 4,916,453 | 666,690 |
| Foster Care Program | 1,679,492 | 3,002,139 | 2,301,326 | (700,813) |
| Adoption | 6,329,941 | 5,834,773 | 6,451,096 | 616,323 |
| Intermediate Care Facilities | 11,306,610 | 11,247,753 | 10,228,551 | (1,019,202) |
| General Operating Expenses | 25,401,572 | 34,162,869 | 39,564,729 | 5,401,860 |
| Total Expenditures | 124,997,781 | 138,432,850 | 147,628,739 | 9,195,889 |
| Revenue | | | | |
| Charges for Services | 24,664,298 | 26,690,153 | 26,468,226 | (221,927) |
| Permits, Fees, and Regulatory Licenses | 167,000 | 119,340 | 271,457 | 152,117 |
| Miscellaneous Revenue | 2,346,253 | 161,510 | 2,399,360 | 2,237,850 |
| Revenue from the Commonwealth | 42,456,967 | 40,332,583 | 42,124,321 | 1,791,738 |
| Revenue from the Federal Government | 24,363,009 | 23,902,596 | 24,897,383 | 994,787 |
| Other Financing Sources | -29,010 | - | - | - |
| Specific Fund Reserves | - | 250,000 | 250,000 | - |
| Transfer In | 242,813 | 250,000 | 250,000 | - |
| Total Revenues | 94,211,329 | 91,706,182 | 96,660,747 | 4,954,565 |
| General City Support | 30,786,453 | 46,726,668 | 50,967,992 | 4,241,324 |

City Of Virginia Beach, Virginia
Human Services - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| <u>FD270: Consolidated Grants Special Revenue Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| OBAT Program | - | - | 62,014 | 62,014 |
| Sheriff's Workforce | 665,959 | 1,006,602 | 956,066 | (50,536) |
| Adult Correctional Services | - | - | 199,662 | 199,662 |
| Regional Opioid Recovery | - | - | 15,503 | 15,503 |
| Substance Use - Drop In | - | - | 31,119 | 31,119 |
| Substance Use - IOP | - | - | 16,088 | 16,088 |
| General Operating Expenses | 2,244,262 | 4,007,765 | 2,413,012 | (1,594,753) |
| Total Expenditures | 2,910,221 | 5,014,367 | 3,693,464 | (1,320,903) |
| <u>Revenue</u> | | | | |
| Charges for Services | 787 | 1,834,533 | 503,085 | (1,331,448) |
| Miscellaneous Revenue | -1,373,384 | - | - | - |
| Revenue from the Commonwealth | 3,786,352 | 2,437,559 | 2,433,321 | (4,238) |
| Revenue from the Federal Government | 199,500 | - | - | - |
| Transfer In | 629,762 | 742,275 | 757,058 | 14,783 |
| Total Revenues | 3,243,017 | 5,014,367 | 3,693,464 | (1,320,903) |
| General City Support | -332,797 | - | - | - |
| <u>FD817: Social Services Gift Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Holiday Project | 4,040 | 15,350 | 15,350 | - |
| Pennies for Prescriptions | - | 23,760 | 23,760 | - |
| Domestic Violence Assistance | - | 7,600 | 7,600 | - |
| Memories and Educational Milestones | - | - | - | - |
| Total Expenditures | 4,040 | 46,710 | 46,710 | - |
| <u>Revenue</u> | | | | |
| Miscellaneous Revenue | 4,805 | - | - | - |
| Specific Fund Reserves | - | 46,710 | 46,710 | - |
| Total Revenues | 4,805 | 46,710 | 46,710 | - |
| General City Support | -765 | - | - | - |

City Of Virginia Beach, Virginia
Human Services - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Employment Services | 52.00 | 52.00 | 53.00 | 1.00 |
| Adult Services | 31.00 | 31.00 | 31.00 | - |
| Benefits Fraud Investigation | 5.00 | 5.00 | 5.00 | - |
| Adult Mobile Crisis | 3.00 | 4.00 | 7.78 | 3.78 |
| OBAT Program | - | - | 3.00 | 3.00 |
| Reimbursement | 13.00 | 13.00 | 13.00 | - |
| Continuous Quality Improvement | 24.90 | 20.90 | 18.90 | (2.00) |
| Personnel | 12.00 | 12.00 | 12.00 | - |
| Transportation | 25.67 | 26.17 | 25.67 | (0.50) |
| Facilities and Fleet Management | 12.00 | 12.00 | 12.00 | - |
| Payroll | 5.00 | 5.00 | 5.00 | - |
| Adult Outpatient Services | 68.06 | 69.06 | 68.06 | (1.00) |
| Community Rehabilitation | 16.00 | 16.00 | 14.00 | (2.00) |
| Emergency Services | 19.63 | 18.63 | 18.63 | - |
| Child and Youth Services | 149.25 | 149.25 | 152.25 | 3.00 |
| Permanent Supportive Housing | 8.00 | 8.00 | 8.00 | - |
| Crisis Management | 11.25 | 11.25 | 9.25 | (2.00) |
| Residential Services | 16.13 | 16.13 | 16.13 | - |
| Projects for Assistance in Transition from Homelessness (PATH) | 3.00 | 3.00 | 3.00 | - |
| Program of Assertive Community Treatment (PACT) | 16.00 | 16.00 | 16.00 | - |
| Office of Consumer and Family Affairs | 2.00 | 2.00 | 2.00 | - |
| Case Management | 72.00 | 73.00 | 77.00 | 4.00 |
| SkillQuest | 40.15 | 36.65 | 44.71 | 8.06 |
| Respite Care Program | 5.50 | 5.50 | - | (5.50) |
| Infant Program | 23.50 | 25.50 | 27.50 | 2.00 |
| Supportive Living | 43.20 | 41.45 | 38.80 | (2.65) |
| Group Homes | 39.51 | 33.80 | 37.05 | 3.25 |
| Pathways Center | 27.81 | 31.81 | - | (31.81) |
| Prevention | 6.00 | 6.00 | 6.00 | - |
| Adult Correctional Services | 13.00 | 13.00 | 14.00 | 1.00 |

City Of Virginia Beach, Virginia
Human Services - Departmental Resource Summary

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|-------------------------------|-----------------|-----------------|-----------------|----------------|
| | Actual | Amended | Proposed | from FY 2024 |
| HIV Prevention | 1.00 | 1.00 | 1.00 | - |
| Project Link | 2.00 | 2.00 | 3.00 | 1.00 |
| MARCUS Alert | 5.00 | 5.00 | 5.00 | - |
| Substance Use - Drop In | - | - | 2.00 | 2.00 |
| Substance Use - IOP | - | - | 17.27 | 17.27 |
| Administration | 15.00 | 15.00 | 23.00 | 8.00 |
| Intermediate Care Facilities | 125.45 | 125.00 | 113.50 | (11.50) |
| General Operations | 234.56 | 247.47 | 238.56 | (8.91) |
| General Fund Positions | 1,146.57 | 1,152.57 | 1,142.06 | (10.51) |

FD270: Consolidated Grants Special Revenue Fund

Position Summary

| | | | | |
|--|-----------------|-----------------|-----------------|----------------|
| OBAT Program | - | - | 1.00 | 1.00 |
| Sheriff's Workforce | 12.00 | 12.00 | 12.00 | - |
| Projects for Assistance in Transition from Homelessness (PATH) | - | - | 2.00 | 2.00 |
| Adult Correctional Services | - | - | 2.50 | 2.50 |
| Substance Use - Drop In | - | - | 0.50 | 0.50 |
| Substance Use - IOP | - | - | 0.25 | 0.25 |
| General Operations | 28.00 | 29.25 | 23.00 | (6.00) |
| Consolidated Grants Special Revenue Fund Positions | 40.00 | 41.25 | 41.25 | - |
| Total Positions | 1,186.57 | 1,193.82 | 1,183.31 | (10.51) |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

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:

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 based 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

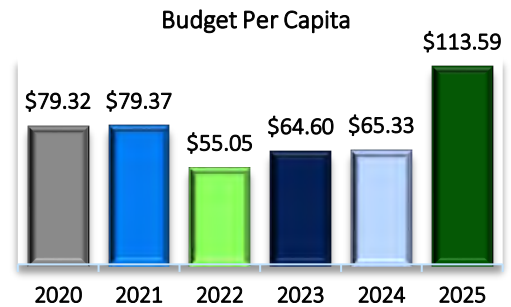
Provides telephone, network and radio maintenance, support, contract administration, cable management, billing, dial tone provision, service coordination, and configuration changes.

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.



Note: The decrease in FY 2021-22 is due to the elimination of the Subscriptions Internal Service Fund as well as the relocation of all enterprise-wide software subscriptions to Non-Departmental. The increase in FY 2024-25 is due to the establishment of the Information Technology Internal Service Fund which includes software subscriptions, the Computer Replacement program, the data center operations, and the service desk operations.

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 foster 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 table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|-------------|--------------|
| Percent of availability of municipal center based WAN | 99.9% | 99.8% | 99.6% | 99.9% | 99.9% |
| Percent of trouble calls resolved as very satisfied | 87.0% | 88.9% | 94.3% | 94.7% | 95.3% |
| Percent of all computers under 5 years of age at the end of the fiscal year | 73% | 85.6% | 89% | 72% | 61% |
| Computer devices supported | 7,336 | 6,945 | 6,953 | 6,953 | 7,780 |
| Service tickets closed | 95.8% | 98.8% | 97.1% | 97.9% | 98.3% |
| Buildings with free WiFi | 118 | 131 | 143 | 150 | 150 |
| Free WiFi access points | 774 | 780 | 868 | 900 | 925 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 88.6% | 38% | 40.6% |
| Usefulness of the City's website | 59% | 45.5% | 43.4% |
| Availability of information about local government services and activities | 52% | 52.5% | 47.5% |
| Opportunities for resident participation in City policy development and decision making | 32.9% | 38.2% | 34.2% |

Trends & Issues

Smart City Evolution Continues as the City Strives for Digital Equality

→ The City of Virginia Beach has long recognized that smart technology adoption is a differentiating factor that will enable efficient service delivery for its citizens and is a competitive factor in attracting businesses, visitors, and employees. Types of smart technologies include advanced data analytics, machine learning, artificial intelligence, automated applications, and connected Internet of Things (IoT) devices. As the organization continues to evolve as a smart city, IT will use these technologies to improve traffic flow, manage energy consumption, predict weather impacts, and increase public safety effectiveness. Adapting to change is inherent in this evolution to 'Smart City' technology. IT is prepared for and has embraced smart technology through key strategic investments. In FY 2024-25, Digital Equity will continue to be a foundational component of the Smart City strategy and technology implementation plans. This year, as part of the Infrastructure Investment and Jobs Act, federal funding will be made available through state-driven programs to encourage the adoption of projects that promote "Digital Opportunity", enabling all constituents to have the information technology capacity to fully participate in society, democracy, and economy as described by the National Digital Inclusion Alliance. Virginia Beach's citizens and workforce are the motivating factor behind every decision and, as such, IT must continuously evaluate the needs of citizens and the workforce as the department works to define, recommend, and implement each initiative. Secure access and the effective use of deployed technology is vital to building a safe and inclusive community. IT has worked to enhance the productivity of City employees through the department's Data Academy, a data analytics upskilling program. This program trains employees to use Power BI, the City's program of choice for business analytics, and since 2018, over 500 members from 26 departments have registered to take the course. Through the work of the Data Academy, IT is preparing employees for the future of work in the City and greater independence from IT for their data and analytics needs.

IT Modernization Resilience, Disaster Recovery, and Business Continuity

→ IT continues to create opportunities to modernize the way the city conducts its business. Artificial Intelligence (AI) is quickly becoming a major part of municipal operations, revolutionizing the way municipalities are managed and services are delivered. From streamlining processes to improving decision making, AI offers countless possible benefits to the City of Virginia Beach. By leveraging AI, administrative tasks, such as data collection and analysis can be automated, clearing precious time and resources. This allows city employees to focus on more complex and strategic issues, leading to increased efficiency and productivity in operations. AI will enhance the quality and effectiveness of city services. For example, AI chatbots can provide citizens with 24/7 assistance and information, reducing the need for human interaction and improved customer service. AI analyzes vast amounts of data to identify patterns and trends, enabling data driven decisions in areas such as planning, public safety, and resource allocation. As the City diligently investigates AI use cases, it is more important than ever to ensure that those AI systems are effective and trustworthy. Simultaneously the city is establishing the governance to ensure that AI use is properly regulated. The City is targeting several business areas that could benefit from AI: including our first project non-emergency calls to the city, while also evaluating other use cases to utilize AI capabilities.

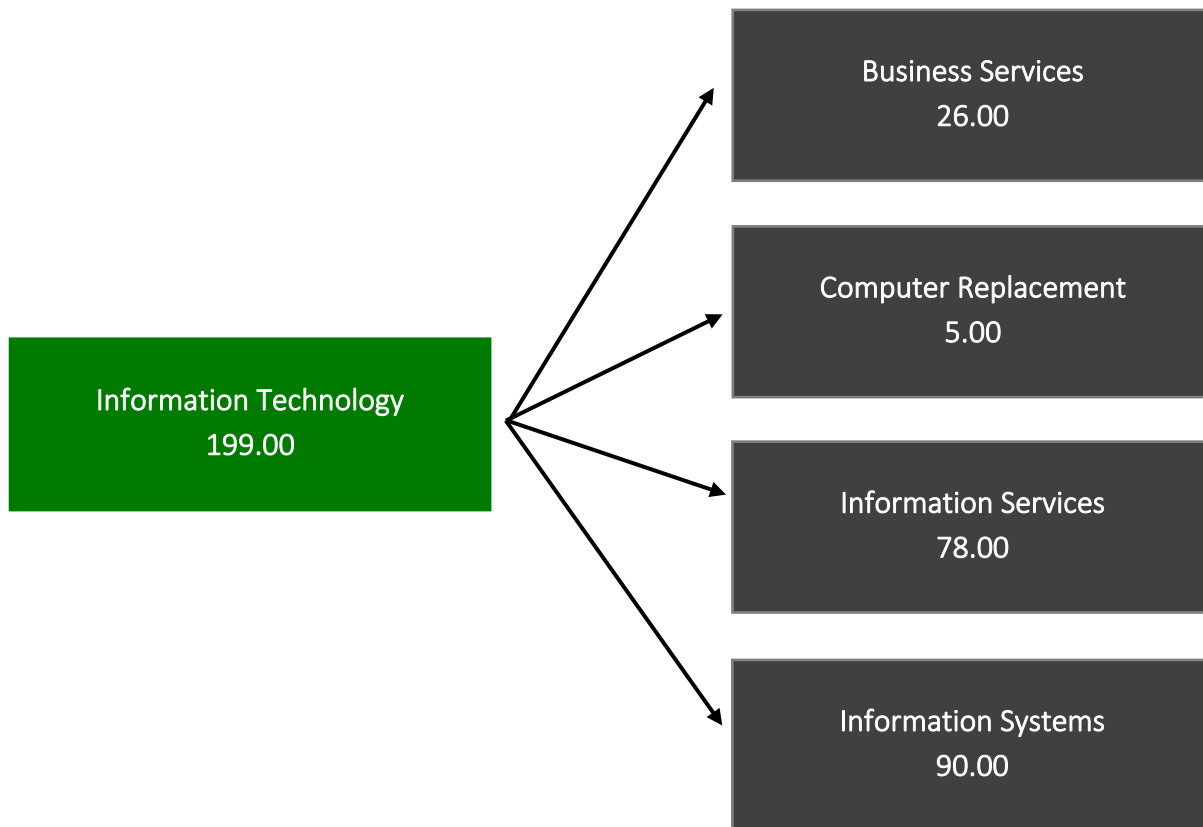
Growing Complexity with a Personalized User Experience

→ As IT needs are becoming more specialized, some departments need an increased level of support, communication, and coordination. As a result, IT is realigning the department to optimize service delivery, deploying, and supporting new technology teams for Emergency Communications and Citizen (ECCS), Planning, Department of Emergency Management, and Public Works departments to better manage the line of business technology applications and services used to meet their customer needs. Future assessments are underway for enhancing support for Libraries.

Major Budget Changes

| | Change | Impact |
|---|--|--|
| ↔ | Information Technology Internal Service Fund \$22,732,020 16.0 FTE | In an effort to more accurately reflect the cost of information technology services across all funds and departments within the city, the Information Technology Internal Service Fund has been established. This fund includes Non-Departmental subscriptions, the Computer Replacement program, data center operations, and service desk operations. IT also included a portion of what was previously budgeted in the IT Capital Improvement Program. Existing FTEs were moved from the general fund to the newly established fund. |

Department Organization Chart



City Of Virginia Beach, Virginia
Information Technology - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Data and Information Management | 1,591,613 | 3,164,456 | 3,205,552 | 41,096 |
| Center For GIS | 1,519,713 | 1,674,717 | 1,697,430 | 22,713 |
| IT Security | 757,048 | 953,167 | 969,424 | 16,257 |
| Strategy and Architecture | 4,546,139 | 2,223,167 | 1,457,642 | (765,525) |
| Mail Service | 220,797 | 207,752 | 204,051 | (3,701) |
| Applications Support | 7,929,595 | 9,112,979 | 9,054,616 | (58,363) |
| Business Center | 2,332,093 | 2,788,111 | 2,761,134 | (26,977) |
| Technology and Support | 6,140,300 | 6,292,261 | 4,861,053 | (1,431,208) |
| General Operating Expenses | 124,270 | - | 1,289,844 | 1,289,844 |
| Total Expenditures | 25,161,569 | 26,416,610 | 25,500,746 | (915,864) |
| Revenue | | | | |
| Charges for Services | 654 | - | - | - |
| Transfer In | 56,838 | 57,083 | 57,083 | - |
| Total Revenues | 57,492 | 57,083 | 57,083 | - |
| General City Support | 25,104,077 | 26,359,527 | 25,443,663 | (915,864) |
| FD606: Information Technology ISF | | | | |
| Expenditures | | | | |
| General Operating Expenses | - | - | 22,732,020 | 22,732,020 |
| Total Expenditures | - | - | 22,732,020 | 22,732,020 |
| Revenue | | | | |
| Charges for Services | - | - | 22,732,020 | 22,732,020 |
| Total Revenues | - | - | 22,732,020 | 22,732,020 |
| General City Support | - | - | - | - |
| FD605: Telecommunications Internal Service Fund | | | | |
| Expenditures | | | | |
| Information Technology General Government Capital Project (GGCP) | 1,100,000 | - | - | - |
| General Operating Expenses | 3,044,258 | 3,217,146 | 3,293,529 | 76,383 |
| Total Expenditures | 4,144,258 | 3,217,146 | 3,293,529 | 76,383 |
| Revenue | | | | |
| Charges for Services | 3,037,832 | 3,202,146 | 3,276,898 | 74,752 |
| From the Use of Money and Property | 39,096 | 15,000 | 15,000 | - |
| Specific Fund Reserves | - | - | 1,631 | 1,631 |
| Total Revenues | 3,076,928 | 3,217,146 | 3,293,529 | 76,383 |
| General City Support | 1,067,330 | - | - | - |

City Of Virginia Beach, Virginia
Information Technology - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| <u>Program Summary</u> | | | | |
| <u>FD100: General Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Data and Information Management | 9.00 | 21.00 | 21.00 | - |
| Center For GIS | 14.00 | 14.00 | 14.00 | - |
| IT Security | 4.00 | 5.00 | 5.00 | - |
| Strategy and Architecture | 32.00 | 15.00 | 9.00 | (6.00) |
| Mail Service | 3.00 | 3.00 | 3.00 | - |
| Applications Support | 65.00 | 66.00 | 67.00 | 1.00 |
| Business Center | 19.00 | 24.00 | 23.00 | (1.00) |
| Technology and Support | 43.00 | 42.00 | 32.00 | (10.00) |
| General Fund Positions | 189.00 | 190.00 | 174.00 | (16.00) |
| <u>FD605: Telecommunications Internal Service Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| General Operations | 9.00 | 9.00 | 9.00 | - |
| Telecommunications Internal Service Fund Positions | 9.00 | 9.00 | 9.00 | - |
| <u>Position Summary</u> | | | | |
| General Operations | - | - | 16.00 | 16.00 |
| Information Technology ISF Positions | - | - | 16.00 | 16.00 |
| Total Positions | 198.00 | 199.00 | 199.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

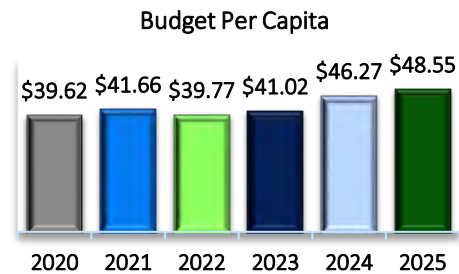
LIBRARIES



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 (VBPL) provides free and equitable access to print and digital materials, as well as technology such as computers, Wi-Fi hotspots, coding toys, and more. Thousands of classes and programs each year are provided to meet the needs and interests of residents of all ages. Library services are available at 10 branch locations, delivered through community outreach to schools and other partner sites, and online. While VBPL collects a small amount of fees and state aid, most of its funding is provided by general city support. Department highlights include:



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

Wahab Public Law Library

Wahab Public Law Library (WPLL) ensures free access to information about the law. Knowledgeable staff provide reference and research assistance for residents, law professionals, government agency staff and students.

Digital Library Services

Residents with an internet connection have around-the-clock access to digital and streaming media such as e-books, audiobooks, research databases, music, movies, magazines and more, even when library buildings are closed.

Programming and Community Outreach

The Programming and Community Outreach (PCO) Team travels to preschools, childcare centers, Title I Schools, Head Start programs, at-risk neighborhoods, after-school programs, and senior centers throughout the city. The Department's fleet of vehicles, including a bookmobile and cargo vans, reaches community members of all ages who otherwise might not be able to visit the library. The PCO vehicles provide access to books, materials, technology, and electronic databases to support educational, informational, and recreational needs of community members of all ages.

Accessible Resources and Services (formerly titled Special Services)

This is a sub-regional library of the National Library Service for the Blind and Print-Disabled. 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 table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|----------------------------------|-----------|-----------|-----------|-------------|--------------|
| Number of outreach events | 331 | 467 | 1,373 | 1,450 | 1,500 |
| Total items circulated | 1,636,018 | 1,781,783 | 1,433,124 | 1,615,000 | 1,700,000 |
| Total items downloaded | 582,794 | 419,242 | 593,970 | 650,000 | 675,000 |
| Volunteer hours | 2,020 | 9,145 | 11,602 | 12,415 | 13,000 |
| Early literacy programs offered | 344 | 1,123 | 2,077 | 2,250 | 2,100 |
| Children's programs offered | 757 | 1,561 | 3,501 | 5,000 | 4,500 |
| Teen programs offered | 243 | 280 | 591 | 700 | 650 |
| Total number of library visits | 350,993 | 760,064 | 799,323 | 815,000 | 800,000 |
| Active Customers | 42,158 | 55,118 | 83,817 | 85,000 | 88,000 |
| Virtual Visits (Website) | 1,384,901 | 1,109,463 | 2,710,210 | 2,400,000 | 2,500,000 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of the City's Library services | 89.1% | 71.9% | 65.6% |
| Overall quality of customer service from City employees | 73.0% | 38.0% | 40.6% |

Trends & Issues

→ Increased Access

To be more accessible to all members of the community, VBPL is working to enhance the availability of its physical and digital materials. In Spring 2024, VBPL will begin to offer materials for homebound deliveries, embedded community libraries, and adult advisory groups, and monitor the utilization of these programs. To enhance digital accessibility, VBPL is transitioning several employees to new roles focused on digital literacy in 2024. The new digital literacy efforts began in early 2024 with collaborations with Virginia Beach City Public Schools.

→ Emerging Technology

VBPL continues to offer a wide range of technology opportunities for take home experiences, training, and hands-on experience using innovative and emerging technology. Circulating technology combines the opportunity to use resources in the library and take home items for personal use and exploration including: Wi-Fi hotspots for children needing access to the internet for online learning, coding for all ages, and programs, gadgets, and learning experiences; Apple digital media stations; providing technology for service at a distance from materials and programming to technology for digital content and remote service provision in real time and recorded for asynchronous learning and entertainment; additional digital and virtual services with online library card sign-up, educational and entertainment media, online meetings, and 24/7 holds pick-up and browsing collections. Libraries Meeting Space Technology Modernization project, funded through the American Rescue Plan Act, provides technology equipment for the Library's revenue generating meeting room spaces, the ability to collaborate using screen sharing in the study rooms, functionality to use study rooms to participate in online meetings, and the ability

to use Folio & Libris rooms at the Central library location in multiple configurations while limiting the distraction of sound coming from a neighboring room.

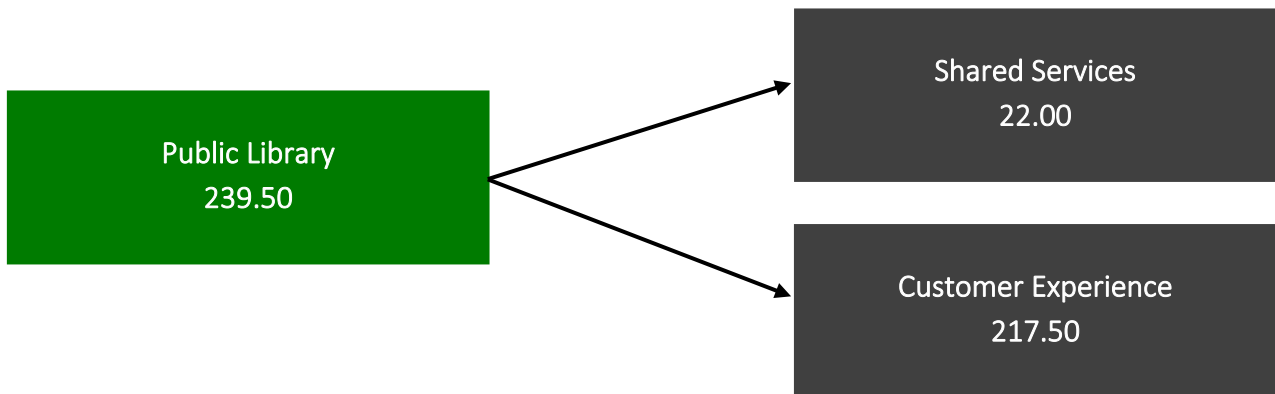
→ **Law Library**

The Wahab Public Law Library is primarily funded through a court filing fee of \$4.00 per civil case. Due to fewer cases being filed and heard during the pandemic, the Law Library saw sharp declines in revenue in FY 2020-21 and FY 2021-22. In order to keep **the** Law Library Fund balanced, the Law Library received \$100,000 in General Fund support in FY 2023-24 and will receive \$57,702 in FY 2024-25. However, actual revenues for FY 2022-23 were higher than projected, signaling that the Law Library Fund is moving towards pre-pandemic revenue levels. Should this trend continue, the Law Library will not require additional support from the General Fund. VBPL and Budget and Management Services will continue to monitor the health of the Law Library Fund.

Major Budget Changes

| | Change | Impact |
|---|---|---|
| ↓ | Reduction of Account Clerk Positions 5.0 FTEs \$272,178 | As a result of department efficiencies, Virginia Beach Public Libraries will eliminate five Account Clerk positions, which provide administrative support to all levels of staff throughout the department. Libraries will use this opportunity to establish a central business center for the department, which will allow remaining Account Clerks and other positions to more efficiently serve staff across the department. The elimination of these Account Clerk positions will be managed through attrition within the department and across the organization. |

Department Organization Chart



**City Of Virginia Beach, Virginia
Libraries - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| <u>Program Summary</u> | | | | |
| <u>FD100: General Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Square One | 187 | - | - | - |
| Friends of VBPL | 10 | - | - | - |
| Adult Services | - | - | - | - |
| Records Management | 104 | - | - | - |
| Training, Learning, and Development | 3,558 | - | - | - |
| Water Services Contract | 8 | - | - | - |
| Youth and Family Service | 1,447,373 | 1,486,502 | 1,956,873 | 470,371 |
| Member Services | - | - | - | - |
| General Operating Expenses | 17,397,849 | 19,650,812 | 19,718,699 | 67,887 |
| Total Expenditures | 18,849,089 | 21,137,314 | 21,675,572 | 538,258 |
| <u>Revenue</u> | | | | |
| Charges for Services | 43,227 | 87,140 | 87,140 | - |
| Permits, Fees, and Regulatory Licenses | 186,417 | 148,635 | 148,635 | - |
| Miscellaneous Revenue | 3,033 | - | - | - |
| Revenue from the Commonwealth | 289,176 | 289,176 | 332,354 | 43,178 |
| Revenue from the Federal Government | 3,729 | - | - | - |
| Other Financing Sources | 34 | - | - | - |
| Total Revenues | 525,616 | 524,951 | 568,129 | 43,178 |
| General City Support | 18,323,472 | 20,612,363 | 21,107,443 | 495,080 |

FD222: Law Library Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|----------------|----------------|----------------|----------------|
| General Operating Expenses | 261,095 | 235,598 | 233,300 | (2,298) |
| Total Expenditures | 261,095 | 235,598 | 233,300 | (2,298) |

Revenue

| | | | | |
|------------------------------------|---------|---------|---------|---|
| Charges for Services | 219,786 | 169,305 | 169,305 | - |
| From the Use of Money and Property | - | 6,293 | 6,293 | - |
| Other Financing Sources | 122 | - | - | - |

**City Of Virginia Beach, Virginia
Libraries - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Transfer In | - | 60,000 | 57,702 | (2,298) |
| Total Revenues | 219,908 | 235,598 | 233,300 | (2,298) |
| General City Support | 41,186 | - | - | - |

FD818: Virginia Beach Library Gift Fund

Expenditures

| | | | | |
|----------------------------|---------------|----------------|----------------|----------|
| Foundation for VBPL | 1,971 | - | - | - |
| Friends of VBPL | 53,089 | 112,000 | 112,000 | - |
| Youth and Family Service | 63 | - | - | - |
| General Operating Expenses | 7,286 | - | - | - |
| Total Expenditures | 62,410 | 112,000 | 112,000 | - |

Revenue

| | | | | |
|-----------------------------|----------------|----------------|----------------|----------|
| Miscellaneous Revenue | 56,438 | 112,000 | 112,000 | - |
| Transfer In | 20,000 | - | - | - |
| Total Revenues | 76,438 | 112,000 | 112,000 | - |
| General City Support | -14,028 | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| <u>FD100: General Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Youth and Family Service | 17.00 | 17.00 | 22.00 | 5.00 |
| General Operations | 222.00 | 226.00 | 215.00 | (11.00) |
| General Fund Positions | 239.00 | 243.00 | 237.00 | (6.00) |

FD222: Law Library Special Revenue Fund

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

Position Summary

| | | | | |
|---|---------------|---------------|---------------|---------------|
| General Operations | 2.50 | 2.50 | 2.50 | - |
| Law Library Special Revenue Fund Positions | 2.50 | 2.50 | 2.50 | - |
| Total Positions | 241.50 | 245.50 | 239.50 | (6.00) |

MUNICIPAL COUNCIL



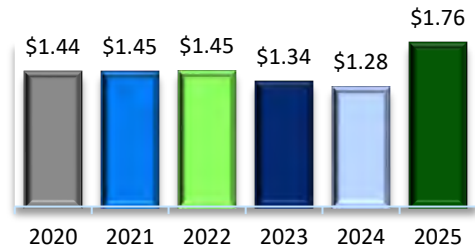
Our city organization exists to enhance the economic, educational, social, and physical quality of the community while providing municipal services effectively, efficiently, and equitably with quality education for life-long learning.

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.

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

Budget Per Capita

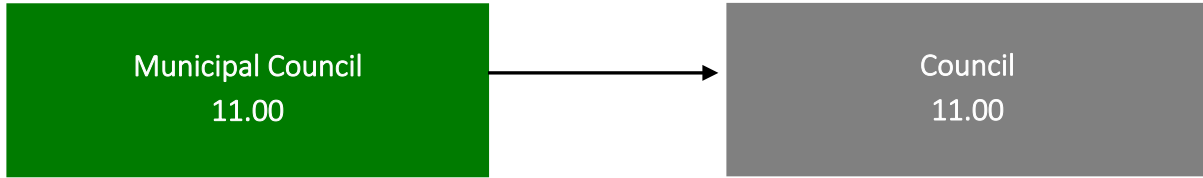


| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall image of the City | 80.2% | 67.3% | 55% |
| Perception of the City as a good place to live | 89.7% | 60% | 49.7% |
| Perception of the City as a good place to raise children | 84.1% | 69.1% | 62.4% |
| Perception of the City as a good place to retire | 65.6% | 56.1% | 51.7% |
| Efforts to ensure the community is prepared for emergencies/disasters | 70.1% | 42.9% | 43.4% |
| The City as a place one would recommend family and friends to visit | 81.2% | 62.3% | 58% |
| Overall quality of parks and recreation programs and facilities | 88.6% | 50% | 50.6% |
| Percent of residents who feel safe in the City | 80.1% | 71.1% | 68% |

Major Budget Changes

| | Change | Impact |
|---|--|---|
| ↑ | Legislative Aides for Council Members \$160,077 | The Municipal Council of Virginia Beach has part-time legislative aides available to Council members for assistance with day-to-day tasks like scheduling meetings and constituent response services. These individuals, who generally work between 15-20 hours per week each on a contractual basis, have been part of the Municipal Council’s budget for the past two years. Funding for the aide positions was historically covered by attrition savings within other departments. |

Department Organization Chart



**City Of Virginia Beach, Virginia
City Council - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Citizen Review Panel | 1,103 | - | - | - |
| General Operating Expenses | 606,493 | 579,557 | 793,772 | 214,215 |
| Total Expenditures | 607,596 | 579,557 | 793,772 | 214,215 |
| Revenue | | | | |
| Miscellaneous Revenue | 9,075 | - | - | - |
| Total Revenues | 9,075 | - | - | - |
| General City Support | 598,521 | 579,557 | 793,772 | 214,215 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 11.00 | 11.00 | 11.00 | - |
| Total Positions | 11.00 | 11.00 | 11.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

NON-DEPARTMENTAL

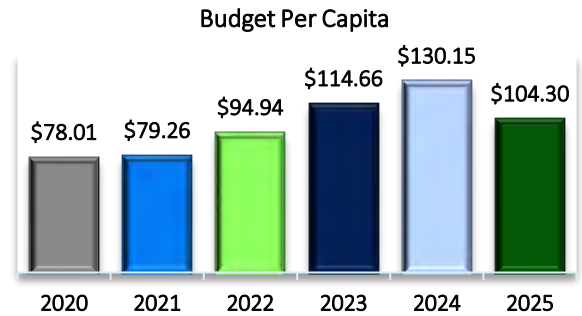


The Non-Departmental section of the budget serves as an umbrella for appropriations that are citywide in nature and as such, are not contained in an operational department.

Department Overview

Organizational Grants and Community Organizational Grants (COG)

Organizational Grants provide funds to non-profit organizations, regional colleges, and governmental agencies such as Hampton Roads Transit (HRT) 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.



Local Vehicle Registration

The State Department of Motor Vehicles (DMV) and the City Treasurer's Office joint initiative – the State Vehicle Registration withholding Program (STOP) is utilized to recoup unpaid city taxes from residents. Through this program delinquent taxpayers are prohibited from registering their vehicles until payment is made to the City Treasurer's Office for unpaid/delinquent taxes along with a DMV processing fee of \$25. The City Treasurer's Office remits the processing fees to DMV.

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 table below illustrates how the Department has been performing on departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|-------------|--------------|
| Number of regional organizations funded | 30 | 30 | 36 | 31 | 35 |
| Number of community organizations funded | 14 | 14 | 18 | 20 | 20 |
| Number of participants in veterans tax relief | 2,666 | 3,305 | 4,106 | 5,118 | 6,341 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The survey result compares Virginia Beach to the Atlantic Region and National average. Major initiatives within Non-departmental that affects how taxes are deployed for the benefit of residents include the regional grants, COG, and veterans tax relief. Comparing the result from the survey, the city scored higher than the Atlantic Region and Nationally on how well residents are satisfied with the overall value they get from their tax dollars. This affirms the city's diligence in directing resident's tax dollars to support organizations that are clearly making a difference and helping out vulnerable residents.

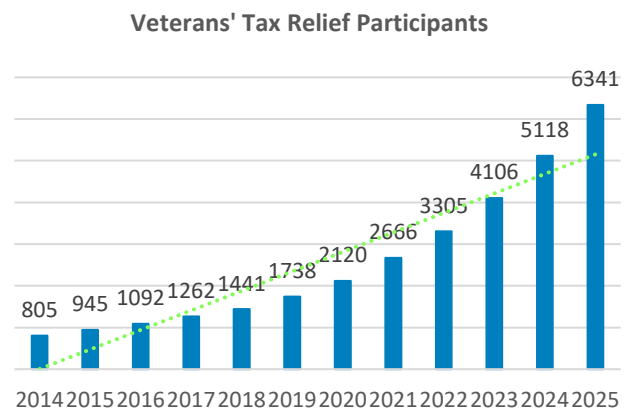
| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Percent of residents satisfied with the overall value received for their City tax dollars and fees | 52.8% | 33.8% | 33.8% |

Trends & Issues

→ Veterans Tax Relief

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 by 5,641 individuals since 2013. In addition to the Veterans' Tax Relief program, the City of Virginia Beach offers tax exemptions to qualifying seniors.

Total relief for both programs in FY 2024-25 is estimated to be \$43,747,060, or the equivalent of 5.5¢ of the real estate tax.



→ Regional Grants

The funding level for the ongoing regional organizations receiving grants in the FY 2024-25 Proposed Budget was reduced by 2% unless formula driven or modified by an existing agreement between the City and the organization. The FY 2023-24 Budget required those organizations to report on use of funds for the first time. This reporting is due in May 2024 and will be used to determine FY 2025-26 awards.

| Regional Organization | FY 2024-25 |
|---|------------|
| Funded via Agreements/Memorandums of Understanding | |
| Hampton Roads Alliance | \$459,470 |
| Hampton Roads Planning District Commission | \$546,642 |
| Hampton Roads Workforce Council | \$113,903 |
| Hampton Roads Military and Federal Facility Alliance | \$227,693 |
| Sister Cities/Sister Cities Dues | \$50,880 |
| Public Defender Salary Stipends | \$500,000 |
| Old Dominion University | \$70,000 |
| Non- MOU Driven Organizational Funding | |
| African American Cultural Center | \$49,000 |
| American Red Cross | \$19,600 |
| Eastern Virginia Medical School | \$450,348 |
| Eggleston | \$24,500 |
| Hampton Roads Chamber of Commerce | \$9,800 |
| Hampton Roads Pride | \$9,800 |
| Lynnhaven River Now | \$178,202 |
| Museum of Contemporary Art- Education Grant | \$132,300 |
| Navy League | \$20,825 |
| Southeast 4-H | \$9,800 |
| Square One | \$51,940 |
| STOP | \$13,426 |
| Court Appointed Special Advocates | \$47,040 |
| Students on the Swim | \$19,600 |
| Tidewater Community College | \$5,880 |
| USO Wounded | \$19,600 |
| Virginia Arts Festival | \$343,000 |
| Virginia Beach SPCA | \$29,400 |
| Virginia Center for Inclusive Communities | \$1,960 |
| Virginia Dare Soil Conservation | \$7,840 |
| Virginia Symphony | \$24,500 |
| Virginia Wesleyan | \$441,000 |
| Virginians for High-Speed Rail | \$9,800 |
| Elizabeth River Project | \$19,600 |

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

The COG Program allocates funding to organizations that complement city services by providing the city’s citizens with food, shelter, medical care, legal assistance, etc. The COG Review and Allocation Committee, appointed by City Council, reviews grant applications, interviews qualified applicants, and recommends the allocation of funds. This fund has historically been capped at \$1.1 per capita. In FY 2023-24, the total amount was increased one-time to \$707,960, but in the upcoming year will return to \$1.1 per capital, or \$498,966. The application period for the upcoming fiscal year will now begin after adoption of the budget by City Council.







| Community Organization | FY 2023-24 |
|--|------------------|
| Armed Services YMCA of Hampton Roads | \$40,000 |
| Boys and Girls Clubs of Southeast Virginia | \$25,000 |
| Chesapeake Care | \$10,000 |
| Endependence Center | \$25,000 |
| Foodbank of Southeastern Virginia | \$50,000 |
| Horizons Hampton Roads | \$10,000 |
| Jewish Family Service of Tidewater | \$50,000 |
| Judeo-Christian Outreach Center | \$75,000 |
| Latinos in Virginia Empowerment Center | \$15,000 |
| Legal Aid Society of Eastern Virginia | \$30,000 |
| PIN Ministry | \$60,000 |
| Samaritan House | \$5,000 |
| Seton Youth Services | \$30,000 |
| Southeastern Virginia Areawide Model Program | \$75,000 |
| Stand Up for Kids | \$40,000 |
| The River Ellis Foundation | \$7,960 |
| Together We Can Foundation | \$20,000 |
| Trails of Purpose | \$50,000 |
| YMCA of South Hampton Roads | \$25,000 |
| YWCA of South Hampton Roads | \$65,000 |
| Total | \$707,960 |

Reserve for Contingencies by Fund

| Fund and Purpose | Amount |
|--|--------------|
| General Fund (100) | |
| Regular | 1,500,000 |
| Compensation | 19,250,000 |
| Attrition | (10,000,000) |
| Health Insurance | 1,500,000 |
| Fuel/Energy | 500,000 |
| School Fund (115) | |
| City Manager Reserve | (5,866,750) |
| Flood Protection Referendum Fund (150) | |
| Reserve for future Debt Service | 19,379,573 |
| Agriculture Reserve Program (221) | |
| Regular | 172,639 |
| Compensation | 15,469 |
| Open Space and Parks SRF (223) | |
| Compensation | 19,724 |
| Regular | 2,967,600 |
| Parks and Recreation SRF (224) | |
| Compensation | 814,536 |
| Regular | 317,318 |
| Tourism Advertising Program (240) | |
| Compensation | 47,206 |
| Tourism Investment Program (241) | |
| Sports Center | 900,000 |
| Atlantic Park Performance | 3,000,000 |
| Compensation | 133,511 |
| CBD South TIF SRF (250) | |
| Reserve for future Debt Service | 5,708,709 |
| Cityview Payment | 1,000,000 |
| Sandbridge SSD (252) | |
| Compensation | 15,494 |
| Reserve for Future Capital Project | 271,217 |
| Federal Section 8 Program SRF (260) | |
| Compensation | 67,211 |
| State Rental Assistance Program SRF (261) | |
| Compensation | 1,308 |
| Consolidated Grants SRF (270) | |
| Compensation | 4,299 |
| Federal Housing Assistance Grant SRF (272) | |
| Compensation | 2,405 |
| Community Development Grant SRF (273) | |
| Compensation | 55,304 |
| Old Donation Dredging SSD SRF (310) | |
| Future CIP | 83,449 |
| Bayville Creek Dredging SSD SRF (311) | |
| Future CIP | 20,861 |

| | | |
|---|---------------------|---------------------|
| Shadowlawn Dredging SSD SRF (312) | | |
| | Future CIP | 45,055 |
| Chesapeake Colony Dredging SSD SRF (313) | | |
| | Future CIP | 257,189 |
| Harbour Point Dredging SSD SRF (314) | | |
| | Future CIP | 31,424 |
| Gills Cove Dredging SSD SRF (315) | | |
| | Future CIP | 45,937 |
| Hurds Cove Dredging SSD SRF (316) | | |
| | Future CIP | 257,341 |
| Schilling Point Dredging SSD SRF (317) | | |
| | Future CIP | 66,766 |
| Water and Sewer Enterprise Fund (510) | | |
| | Regular | 913,968 |
| | Compensation | 2,630,394 |
| | Vehicle Replacement | 400,000 |
| | Fuel/Energy | 250,000 |
| Storm Water Utility Enterprise Fund (520) | | |
| | Compensation | 600,263 |
| Waste Management Enterprise Fund (530) | | |
| | Compensation | 503,969 |
| Parking Enterprise Fund (540) | | |
| | Compensation | 14,530 |
| City Garage ISF (600) | | |
| | Compensation | 331,667 |
| Risk Management ISF (602) | | |
| | Compensation | 6,142 |
| Landscaping ISF (603) | | |
| | Compensation | 154,298 |
| Telecommunications ISF (605) | | |
| | Compensation | 28,003 |
| Subscriptions ISF (606) | | |
| | Compensation | 50,232 |
| | Total | \$48,468,261 |

Major Budget Changes

| | Change | Impact |
|---|---|---|
|  | Rescue Council \$800,000 | This funding was previously housed under the Emergency Management Services department but has been relocated to non-Departmental starting in FY 2024-25. This grant provides funding to the Council of Virginia Beach Volunteer Rescue Squads for the purchase of new ambulances, emergency medical supplies, and uniforms, along with other daily needs. |
|  | Hampton Roads Transit \$434,204 | Each year, the City provides support for the Hampton Roads Transit (HRT) in accordance with service needs outlined in the HRT's Transportation Service Plan and 10-year Transit Strategic Plan. Increase in the City's base revenue hours coupled with inflation driven cost escalation for the Transit organization is responsible for the additional \$224,468 in General Fund support and \$209,736 in TIP Fund support to the HRT in the FY 2024-25 budget. |
|  | Regional Grants (\$39,567) | The funding level for the ongoing regional organizations receiving grants in the FY 2024-25 Proposed Budget was reduced by 2% unless formula driven or modified by an existing agreement between the City and the organization. The FY 2023-24 Budget required those organizations to report on use of funds for the first time. This reporting is due in May 2024 and will be used to determine FY 2025-26 and onwards. |
|  | Elderly/Disabled Tax Relief \$1,527,881 | Due to increased enrollment in the City's tax relief program for seniors and increased assessments, total relief in this program is expected to grow just over \$1.5m in FY 2024-25 |
|  | Line of Duty Pay \$250,000 | The City is a contributor to the Virginia Retirement System's Line of Duty Act (LODA), which provides benefits to eligible family members of employees and volunteers killed in the line of duty. In addition, there are benefits for those employees and volunteers who are disabled in the line of duty and their eligible family members. As a contributing employer, the City is required to contribute to the LODA fund annually at a rate per eligible employee. Starting in FY 2024-25, the LODA contribution rate increases from \$830 per eligible employee to \$995 per eligible employee, increasing the City's expected contribution from \$1,550,000 to \$1,800,000. |
|  | Computer Replacements and Subscriptions (\$12,892,858) | Beginning in FY 2024-25 there will be a change of accounting for IT services, software, and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund but will now be reflected in individual departmental budgets. This change more accurately reflects the true cost of service for individual departments. |

**City Of Virginia Beach, Virginia
Non-Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| <u>Program Summary</u> | | | | |
| <u>FD100: General Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Public Defender Pay Supplement | 500,000 | 500,000 | 500,000 | - |
| Virginia Beach Rescue Council | - | - | 800,000 | 800,000 |
| Pandemic | 269,700 | - | - | - |
| Eggleston | 25,000 | 25,000 | 24,500 | (500) |
| Business Center | 824 | - | - | - |
| Virginia Wesleyan | 450,000 | 450,000 | 441,000 | (9,000) |
| Lynnhaven River Now | 181,839 | 181,839 | 178,202 | (3,637) |
| Tidewater Community College | 6,000 | 6,000 | 5,880 | (120) |
| Eastern Virginia Medical School | 459,539 | 459,539 | 450,348 | (9,191) |
| Hampton Roads Planning District Commission | 503,831 | 503,831 | 546,462 | 42,631 |
| Virginia Dare Soil and Water Conservation District | 8,000 | 8,000 | 7,840 | (160) |
| USO Wounded Warrior Week | 40,000 | 20,000 | 19,600 | (400) |
| Virginia Beach SPCA | 30,000 | 30,000 | 29,400 | (600) |
| Hampton Roads Economic Development Alliance | 459,470 | 459,470 | 459,470 | - |
| Students on the Swim | 40,000 | 20,000 | 19,600 | (400) |
| Virginia Arts Festival | 350,000 | 350,000 | 343,000 | (7,000) |
| Hampton Roads Military and Federal Facilities Alliance | 229,735 | 229,014 | 227,693 | (1,321) |
| Square One | 53,000 | 53,000 | 51,940 | (1,060) |
| Virginia Symphony | 25,000 | 25,000 | 24,500 | (500) |
| Virginians for High Speed Rail | 10,000 | 10,000 | 9,800 | (200) |
| Navy League | 42,500 | 21,250 | 20,825 | (425) |
| Elizabeth River Project | 40,000 | 20,000 | 19,600 | (400) |
| Virginia Center for Inclusive Communities | 2,000 | 2,000 | 1,960 | (40) |
| Southeast 4-H | 10,000 | 10,000 | 9,800 | (200) |
| Court Appointed Special Advocates | 48,000 | 48,000 | 47,040 | (960) |
| American Red Cross | 20,000 | 20,000 | 19,600 | (400) |
| Achievable Dream | 2,500 | 3,000 | - | (3,000) |
| Hampton Roads Workforce Council | 112,550 | 114,418 | 113,903 | (515) |
| Hampton Roads Chamber | 10,000 | 10,000 | 9,800 | (200) |
| Sister Cities | 49,500 | 49,500 | 49,500 | - |
| Sister Cities Dues | - | 1,380 | 1,380 | - |

**City Of Virginia Beach, Virginia
Non-Departmental Resource Summary**

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|---|-------------------|-------------------|-------------------|---------------------|
| | Actual | Amended | Proposed | from FY 2024 |
| Stop Inc. | 13,700 | 13,700 | 13,426 | (274) |
| Together We Can | - | 1,500 | - | (1,500) |
| Museum of Contemporary Arts-Education Grant | 135,000 | 135,000 | 132,300 | (2,700) |
| African American Cultural Center | 50,000 | 80,000 | 49,000 | (31,000) |
| Opportunity Grants | 40,000 | - | - | - |
| Hampton Roads Pride | - | 10,000 | 9,800 | (200) |
| Hampton Roads Transit | 6,894,462 | 7,463,836 | 7,688,304 | 224,468 |
| Old Dominion University | 70,000 | 70,000 | 70,000 | - |
| Men of Faith | - | 20,000 | - | (20,000) |
| Philippine Cultural Center of Virginia | - | 75,000 | - | (75,000) |
| Kempsville Pony Baseball | - | 75,000 | - | (75,000) |
| Kings Grant Recreation Association | - | 25,000 | - | (25,000) |
| Parks and Recreation Foundation | - | 150,000 | - | (150,000) |
| Families of Autistic Children of Tidewater | - | 25,000 | - | (25,000) |
| The Lambs Foundation | 50,000 | 50,000 | - | (50,000) |
| Hospice House of HR | - | 10,000 | - | (10,000) |
| UP Center's Cohen Military Family Clinic | - | 10,000 | - | (10,000) |
| New Oak Grove Baptist Church | - | 10,000 | - | (10,000) |
| Special Benefits | 6,869,342 | 7,641,502 | 7,891,502 | 250,000 |
| Benefits Administration | 865,918 | 735,538 | 735,538 | - |
| Employment Services | 340,500 | - | - | - |
| Local Vehicle Registration Program | - | 1,610,000 | 1,610,000 | - |
| Community Organization Grant | 495,796 | 707,960 | 498,966 | (208,995) |
| Center for Global Diplomacy | - | 75,000 | - | (75,000) |
| SonRise Music Festival | 50,000 | 50,000 | - | (50,000) |
| Urban Renewal Center | 50,000 | - | - | - |
| Great Neck Athletic Association | 8,646 | 25,000 | - | (25,000) |
| Leases | 3,385,754 | 3,780,869 | 3,780,869 | - |
| Transgender Assistance Program of VA | 5,000 | - | - | - |
| Vehicle Replacements | 4,342,065 | 6,000,000 | 6,000,000 | - |
| Computer Replacements | 2,484,899 | 3,087,214 | - | (3,087,214) |
| Independent Financial Services | 208,165 | 188,638 | 194,674 | 6,036 |
| Subscriptions | 7,168,471 | 9,805,644 | - | (9,805,644) |
| Revenue Reimbursements | 11,988,542 | 13,474,044 | 15,001,925 | 1,527,881 |
| Total Expenditures | 49,024,476 | 59,035,686 | 48,108,947 | (10,926,739) |

**City Of Virginia Beach, Virginia
Non-Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Revenue | | | | |
| Charges for Services | 114,250 | 1,610,000 | 1,610,000 | - |
| Permits, Fees, and Regulatory Licenses | 12,125 | 125,000 | 125,000 | - |
| Miscellaneous Revenue | 1,366,164 | 500,000 | 500,000 | - |
| From the Use of Money and Property | 2,524,828 | 28,500 | 28,500 | - |
| Other Financing Sources | 5,699 | - | - | - |
| Specific Fund Reserves | - | - | 800,000 | 800,000 |
| Transfer In | 48,960 | - | - | - |
| Total Revenues | 4,072,026 | 2,263,500 | 3,063,500 | 800,000 |
| General City Support | 44,952,450 | 56,772,186 | 45,045,447 | (11,726,739) |

Expenditures

| | | | | |
|---------------------------|------------------|------------------|------------------|----------------|
| Hampton Roads Transit | 1,323,888 | 1,205,648 | 1,415,384 | 209,736 |
| Total Expenditures | 1,323,888 | 1,205,648 | 1,415,384 | 209,736 |

Revenue

| | | | | |
|-----------------------------|------------------|------------------|------------------|----------------|
| Total Revenues | - | - | - | - |
| General City Support | 1,323,888 | 1,205,648 | 1,415,384 | 209,736 |

OFFICE OF PERFORMANCE AND ACCOUNTABILITY



The mission of the Office of Performance and Accountability is to be a trusted resource driving progress and results.

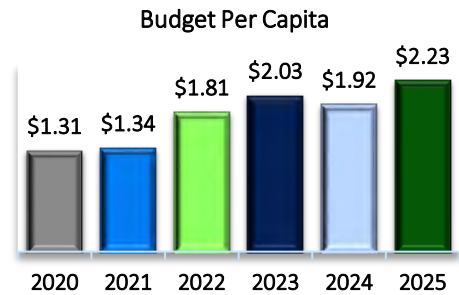
Department Overview

The three primary programs the Office of Performance and Accountability (OPA) leads help the City efficiently manage operations, evaluate performance, and identify areas for improvement:

→ VBStrategy: VBStrategy is the robust management of Virginia Beach's Strategic Plan, which is a collaborative effort that is led by City Council's vision and leadership. The Strategic Plan translates vision and goals into an actionable strategy across five key focus areas.

→ VBStat: VBStat provides intentional focus on performance for areas of current organizational priorities and needs. VBStat subscribes to the following tenets: accurate and timely intelligence shared by all; deployment of effective tactics and strategies; utilization of data to rapidly deploy resources; and relentlessly following-up and routinely assessing.

→ VBPerformance: VBPerformance is the deliberate management and coordination of departmental strategy and performance through Departmental Performance Plans, performance management, and process improvement.



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|-----------|-----------|---------|-------------|--------------|
| Total number of employees participating in one of the OPA academies or workshops | 116 | 150 | 80 | 207 | 225 |
| Number of VBStat programs | N/A | 6 | 7 | 12 | 15 |
| Cost savings recognized by Innovation Academy/ Process Improvement graduates | \$199,219 | \$707,651 | N/A | \$50,000 | \$100,000 |
| Percentage of departments reporting to the City Manager that have Departmental Performance Plans | N/A | 100% | 100% | 100% | 100% |
| Number of performance measures reported in the Strategic Plan Performance Report | N/A | 46 | 24 | 30 | 39 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of City services | 75.3% | 53.6% | 50.5% |
| Overall quality of City customer service | 73.0% | 38.0% | 40.6% |
| How well the City is managing growth | 31.6% | 34.6% | 39.7% |
| Overall image of the City | 80.2% | 67.3% | 55.0% |

Trends & Issues

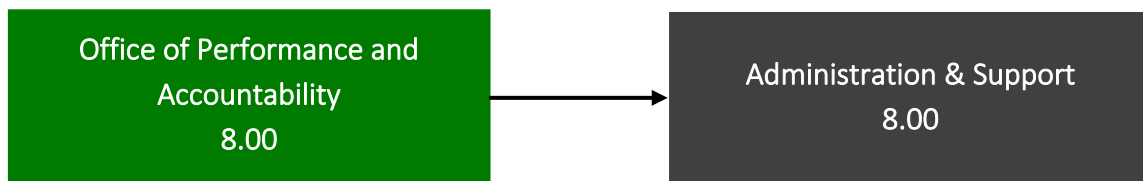
→ Focused Action Plan

In FY 2023-24, the Office of Performance and Accountability worked with City Council to develop the FY 2024-25 Focused Action Plan, actionable strategy that guides the organization’s focus, work, and resource alignment. Throughout FY 2024-25, OPA will monitor the execution of the Focused Action Plan and provide both a mid-year and year-end update.

Major Budget Changes

| | Change | Impact |
|---|-----------------------------|---|
| ↑ | Resident Survey \$45,000 | Starting in FY 2022-23, the Office of Performance and Accountability took primary responsibility for the biannual Resident Survey. The survey aims to capture citizen satisfaction with the state of the City, its services, and its governance, and includes key geographical and population benchmarking. Data from this survey will be used to support multiple strategic planning efforts and is of significant interest to City Council. |

Department Organization Chart



City Of Virginia Beach, Virginia
Office of Performance & Accountability - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 922,538 | 912,775 | 1,010,664 | 97,889 |
| Total Expenditures | 922,538 | 912,775 | 1,010,664 | 97,889 |
| Revenue | | | | |
| Total Revenues | - | - | - | - |
| General City Support | 922,538 | 912,775 | 1,010,664 | 97,889 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 8.00 | 8.00 | 8.00 | - |
| Total Positions | 8.00 | 8.00 | 8.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

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 a mix of user fees, dedicated referendum funding from the real estate tax, the general fund, and a 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 Services

This division is responsible for budgeting, finance, human resources, marketing, resource development, sponsorships, partnerships, information technology systems management, department performance plans, strategic initiatives, customer service initiatives, emergency operations, and safety and security.

Planning, Design, and Development

This division manages the construction and replacement of parks, playgrounds, and recreation facilities. This division is also responsible for the management of the City’s Open Space Program, implementation of the Virginia Beach Active Transportation Plan, and the development and implementation of the department’s Capital Improvement Program.

Programming and Operations

This division’s responsibility includes all indoor and outdoor recreation programs, special events, shelter reservations, event permitting, operations of a boat ramp and marina, seven community recreation centers, management of childcare and the Out-of-School Time programs, youth and community engagement, lease management for the golf course and various outsourced leased facilities, athletics, therapeutic recreation, early childhood education, and inclusion services.

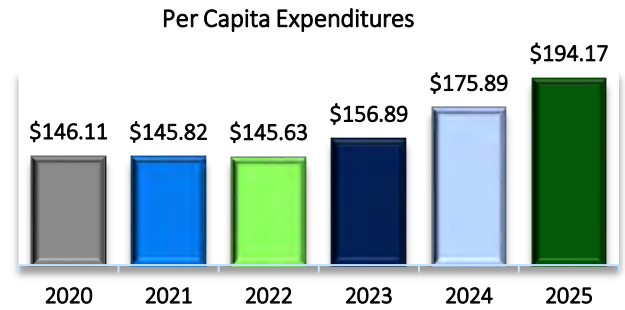
Park and Landscape Services

This division operates and maintains all City parks and provides landscape maintenance for all public landscape infrastructure on City roadways, public buildings including the Municipal Center complex, the Oceanfront, Town Center, public spaces, parks, and school sites. This division also provides disaster response support and manages the urban forestry program.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|---------|---------|---------|-------------|--------------|
| Number of days in average mowing cycle for divided roadways | 18 | 20.25 | 21.6 | 18 | 18 |
| Miles of bikeways, trails, and wide sidewalks | 309 | 309 | 309 | 311 | 312 |
| Percent of residents within a 10-minute walk to a park | 63% | 68% | 69% | 69% | 69% |
| Number of unique recreation center members | 27,757 | 74,936 | 90,575 | 95,000 | 97,000 |



In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Residents who feel “very safe” or “safe” in City parks | 71.5% | 60.6% | 56.0% |
| Overall quality of parks and recreation programs and facilities – excellent or good rating | 88.6% | 50.0% | 50.6% |
| Physical condition of City parks, trails, or other outdoor facilities– excellent or good rating | 88.4% | 68.6% | 67.3% |

Trends and Issues

→ **Department Programs and Services**

It has taken three years for department earned revenues to return to pre-covid levels, yet during that time demand for services has increased. The combination of increased park and recreation center usage, as well as significant increased operational costs due to a number of factors such as inflation, utilities, employee pay rate increases, and repair and replacement of amenities, while at the same time desiring to keep fees for services reasonable, continues to put pressure on the department’s budget and ability to maintain existing services. While hiring has improved in most areas of operation, significant challenges remain in filling part time positions which provide direct services to the public, notably aquatics and athletics. These staffing shortages (as well as shortages with contractual partners, such as sports officials), continues to result in disruptions and service reductions. The department received 5.93 new FTEs to begin a youth violence prevention initiative during the summer of 2023 called Parks After Dark. The inaugural 10-week program created safe and enriching spaces at Williams Farm Park during what was identified as peak times for subversive behavior. The program featured extended recreational programming, movies, food, and access to City resources well past the normal park closing time of sunset. The event drew over 12,000 participants in its first year.

→ **Recreation Center Maintenance**

During the pandemic, reductions to the contribution to the Recreation Capital Improvement Program from the fund balance of the Parks and Recreation Special Revenue Fund were made due to reduced revenues within the Fund, meaning that less fund balance was available to use as a means of financing for the CIP. This funding was restored to the historical \$2 million per year in FY 2022-23; however, increased repair needs and costs are impacting the department’s ability to complete routine maintenance and equipment replacement. Additionally, three of the centers are reaching 30+ years in age and maintenance is becoming more costly. Various systems are beginning to fail, such as roof, electrical, and plumbing, and due to their age replacement parts are difficult to obtain. A modernization study was completed in 2020, and \$10 million is programmed within Capital Improvement Project 100661, “Recreation Center Modernization,” to begin planning for the renovation/replacement of the first of the older recreation center in FY 2027-28, with another \$4million in funding for design to begin in FY 2024-25.

Numerous other initiatives are in the planning stages with Public Works, such as EV charging stations at the Recreation Centers and potentially rooftop solar panels.

→ **Significant Park Projects**

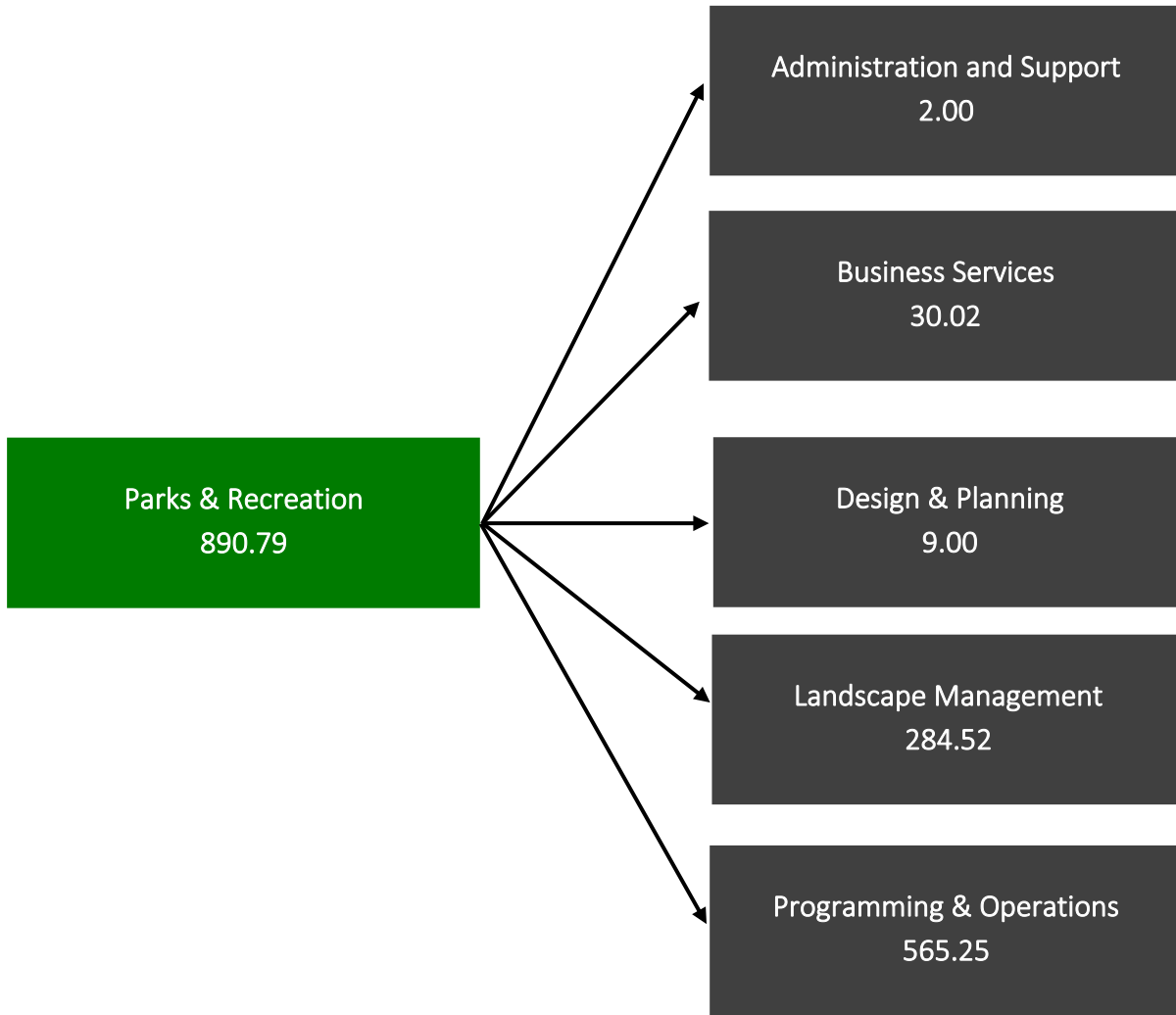
Several significant park projects are under design or under construction. The first is the Bow Creek Stormwater Park. This project is transforming a 100-acre golf course into a recreational amenity and stormwater retention area. The project is one of the Flood Mitigation Bond projects that will help to alleviate flooding in the Princess Anne Plaza/Windsor Woods neighborhoods. The VBTrail project will create a 12-mile multipurpose trail along the former Southern Norfolk Railroad through the heart of Virginia Beach and stretch from the Norfolk border all the way to the oceanfront. The project was awarded a \$14.9 million federal grant in FY 2023-24 and combined with the local match and prior federal funding, the first phase is now under design, which will include an above grade crossing over Independence Boulevard at Town Center. In FY 2023-24, City Council approved the transformation of Rudee Loop at the southern end of the boardwalk into a world-class iconic park. Design firm selection started in January with a Request for Qualifications solicitation. Shortlisting and final design firm selection will be completed in May 2024.

Major Budget Changes

| | Change | Impact |
|---|---|--|
| ↑ | <p>Tree Canopy Enhancement Program (Tree Canopy Fund) \$135,813 1.00 FTEs</p> | <p>In efforts to cover the labor required for tree planting Parks and Recreation requested 1 FTE for a forester who will report to the City Arborist. This position will facilitate planting trees funded within the Tree Mitigation Funds. In 2022 City Council adopted a tree mitigation policy that requires any tree that is removed on city property to be replaced. Due to the large number of construction projects, and Dominion’s Offshore Wind Project, there is an increased demand on the division.</p> |
| ↑ | <p>Out of School Time (OST) Zone 6 (General Fund) Expenditure: \$689,412 Revenue: \$746,627 10.75 FTEs</p> | <p>Since 2008, OST full-time direct service positions have been decreased by 44% (from 18 to 10) yet they are supervising the same number of program sites. In an effort to improve oversight and safety of OST programs, the budget includes 10.75 FTEs. This request will be funded through program fee increases. OST program fees have not increased for three years, and the proposed increase leaves the school-based programs at the low end of the market and falls well below the inflation rate over the past several years.</p> |
| ↑ | <p>Aquatic Supervisor (Special Revenue Fund) \$80,681 1.00 FTEs</p> | <p>Request for an additional Aquatics Parks & Recreation Supervisor. The Aquatic full-time staff are responsible for supervising, training, and providing feedback to over 240 part-time lifeguards and instructors. The addition of this program allows for a total of six aquatic supervisors.</p> |

| | Change | Impact |
|---|--|--|
| ↑ | <p>Full-Time Lifeguards (Special Revenue Fund)</p> <p>\$156,333</p> <p>3.00 FTEs</p> | <p>Virginia Beach Code requires certified lifeguards at all Type II public swimming pools.</p> <p>Virginia Beach is mindful of the needs of the community, noting that our citizens fitness and well-being is important to their quality of life. Staffing these facilities is paramount to our continued success. These three FTEs will ensure that at least one lifeguard is scheduled Monday through Friday. Part time staff will support the pools on nights and weekends.</p> |
| ↑ | <p>General Fund Fee Increases (General Fund)</p> <p>\$835,757</p> | <p>Parks and Recreation’s FY 2024-25 budget includes fee increases to several of the department’s programs and services. A full list of proposed fee increases can be found in the Executive Summary document. These include fee adjustments for recreation leagues, facility fees, and therapeutic services and will be used to offset the cost increases associated with various programs.</p> |
| ↑ | <p>Special Revenue Fee Increases (Special Revenue Fund)</p> <p>\$327,934</p> | <p>Parks and Recreation’s FY 2024-25 budget includes fee increases to several of the department’s programs and services within the Special Revenue Fund, including a \$3 increase to the resident membership fee for recreation centers.</p> <p>A full list of proposed fee increases can be found in the Executive Summary document. These include fee adjustments will be used to offset the cost increases associated with various programs.</p> |

Department Organization Chart



City of Virginia Beach, Virginia
Parks and Recreation- Departmental Resource Summary

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|--|-------------------|-------------------|-------------------|------------------|
| | Actual | Amended | Proposed | from FY 2024 |
| <u>Program Summary</u> | | | | |
| <u>FD100: General Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Business Center | - | 185,400 | - | (185,400) |
| Employment Services | - | - | 11,611 | 11,611 |
| Early Childhood | - | 1,720,840 | 1,981,478 | 260,638 |
| Inclusion Services | - | 1,010,582 | 1,035,949 | 25,367 |
| Asset Management | 2,873,718 | 2,866,355 | 3,355,484 | 489,129 |
| Maintenance Management | 7,851,598 | 9,690,481 | 11,007,505 | 1,317,024 |
| Life Cycle Management | 3,163,227 | 3,336,766 | 3,853,391 | 516,625 |
| Sports Management | - | 1,736,274 | 1,803,166 | 66,892 |
| Out-of-School Time | 4,301 | 9,094,487 | 9,915,973 | 821,486 |
| Therapeutic | - | 782,316 | 807,217 | 24,901 |
| Youth Opportunities | - | 801,452 | 725,785 | (75,667) |
| Information Technology Program | - | - | 26,134 | 26,134 |
| Outdoor and Special Events | - | 687,757 | 802,340 | 114,583 |
| Parks and Natural Areas | - | 1,104,458 | 1,121,199 | 16,741 |
| Park Services | - | 1,648,713 | 1,714,599 | 65,886 |
| Open Space Planning | - | - | - | - |
| Special Zones Management | 1,584,999 | 2,257,353 | 2,341,131 | 83,778 |
| Schools' Landscaping | 1,525 | - | - | - |
| Parks After Dark | 90,394 | 444,215 | 464,057 | 19,842 |
| General Operating Expenses | 13 | 5,000 | 1,040,248 | 1,035,248 |
| Total Expenditures | 15,569,776 | 37,372,449 | 42,007,267 | 4,634,818 |
| <u>Revenue</u> | | | | |
| Charges for Services | 26,627 | 5,939,114 | 7,244,103 | 1,304,989 |
| Permits, Fees, and Regulatory Licenses | - | 44,500 | 42,000 | (2,500) |
| Miscellaneous Revenue | 2,745 | - | - | - |
| From the Use of Money and Property | - | 1,373,580 | 1,507,980 | 134,400 |
| Revenue from the Commonwealth | 6,158,068 | 6,165,901 | 7,303,179 | 1,137,278 |
| Transfer In | 788,813 | 876,035 | 1,048,224 | 172,189 |
| Total Revenues | 6,976,254 | 14,399,130 | 17,145,486 | 2,746,356 |
| General City Support | 8,593,522 | 22,973,319 | 24,861,781 | 1,888,462 |

FD223: Open Space and Parks Special Revenue Fund

Expenditures

| | | | | |
|--|------------------|------------------|------------------|----------------|
| Park Services | 161,780 | 285,615 | 291,323 | 5,708 |
| Open Space Planning | 173,682 | 248,849 | 273,637 | 24,788 |
| Parks and Recreation General Government Capital Project (GGCP) | 3,500,000 | 2,500,000 | 3,000,000 | 500,000 |
| General Operating Expenses | 1,984,136 | 4,329,756 | 4,216,494 | (113,262) |
| Total Expenditures | 5,819,599 | 7,364,220 | 7,781,454 | 417,234 |

Revenue

| | | | | |
|-----------------------------|------------------|------------------|------------------|----------------|
| Restaurant Meal Tax | - | - | - | - |
| Specific Fund Reserves | - | - | - | - |
| Total Revenues | - | - | - | - |
| General City Support | 5,819,599 | 7,364,220 | 7,781,454 | 417,234 |

FD224: Parks And Recreation Special Revenue Fund

Expenditures

| | | | | |
|--------------------------------|-----------|-----------|-----------|----------|
| Multimedia Services | - | - | - | - |
| Business Center | 1,217,925 | 801,839 | 784,049 | (17,790) |
| Employment Services | 857,130 | 1,151,341 | 1,238,815 | 87,474 |
| Early Childhood | 1,327,263 | - | - | - |
| Marketing | 697,449 | 1,035,524 | 1,061,302 | 25,778 |
| Planning | 841,738 | 936,133 | 1,013,202 | 77,069 |
| Recreation Centers | 259,515 | 210,979 | 216,908 | 5,929 |
| Inclusion Services | 763,947 | - | - | - |
| Sports Management | 1,177,587 | 4,671 | - | (4,671) |
| Strategic Initiatives Unit | - | 265,482 | 286,216 | 20,734 |
| Member Communications | 16,478 | - | - | - |
| Out-of-School Time | 7,438,416 | - | - | - |
| Therapeutic | 707,390 | - | - | - |
| Youth Opportunities | 944,051 | - | - | - |
| Information Technology Program | 766,841 | 858,171 | 1,060,753 | 202,582 |
| Administration | 329,507 | 480,924 | 485,122 | 4,198 |
| Operations | 152 | - | - | - |
| Outdoor and Special Events | 529,296 | 4,306 | 38,300 | 33,994 |
| Parks and Natural Areas | 996,163 | 2,957 | - | (2,957) |
| Park Services | 1,627,463 | - | - | - |
| Open Space Planning | 3,665 | - | - | - |
| Special Zones Management | 432,167 | - | - | - |
| Member Services | 2,446,538 | 3,109,873 | 3,083,348 | (26,525) |

| | | | | |
|---|-------------------|-------------------|-------------------|------------------|
| Recreation Services | 5,191,132 | 5,796,726 | 5,859,916 | 63,190 |
| Aquatics | 4,157,239 | 4,575,174 | 4,961,694 | 386,520 |
| Fitness | 1,755,397 | 1,861,079 | 1,823,282 | (37,797) |
| Parks and Recreation General Government Capital Project (GGCP) | 1,197,000 | 197,000 | 197,000 | - |
| Parks and Recreation Dedicated General Government Capital Project | - | 1,000,000 | 1,000,000 | - |
| General Operating Expenses | 4,084,686 | 5,995,490 | 7,299,303 | 1,303,814 |
| Total Expenditures | 39,766,134 | 28,287,669 | 30,409,211 | 2,121,542 |

Revenue

| | | | | |
|--|-------------------|-------------------|-------------------|------------------|
| Charges for Services | 12,361,843 | 6,384,915 | 6,882,151 | 497,236 |
| Permits, Fees, and Regulatory Licenses | 72,828 | 375 | - | (375) |
| Miscellaneous Revenue | 3,399 | - | - | - |
| From the Use of Money and Property | 2,167,093 | 321,770 | 341,329 | 19,559 |
| Revenue from the Commonwealth | 17,462 | - | - | - |
| Transfer In | 7,830,025 | - | - | - |
| Total Revenues | 22,452,649 | 6,707,060 | 7,223,480 | 516,420 |
| General City Support | 17,313,485 | 21,580,609 | 23,185,731 | 1,605,122 |

FD241: Tourism Investment Program Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|----------------|------------------|------------------|----------------|
| Special Zones Management | 944,484 | 1,029,680 | 1,240,636 | 210,956 |
| General Operating Expenses | (4,403) | - | - | - |
| Total Expenditures | 940,081 | 1,029,680 | 1,240,636 | 210,956 |

Revenue

| | | | | |
|-----------------------------|----------------|------------------|------------------|----------------|
| Amusement Tax | - | - | - | - |
| Total Revenues | - | - | - | - |
| General City Support | 940,081 | 1,029,680 | 1,240,636 | 210,956 |

FD251: Town Center Special Service District Fund

Expenditures

| | | | | |
|---------------------------|---------------|----------------|----------------|------------|
| Special Zones Management | 93,041 | 132,990 | 133,550 | 560 |
| Total Expenditures | 93,041 | 132,990 | 133,550 | 560 |

Revenue

| | | | | |
|-----------------------------|---------------|----------------|----------------|------------|
| Total Revenues | - | - | - | - |
| General City Support | 93,041 | 132,990 | 133,550 | 560 |

FD270: Consolidated Grants Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|----------------|---|---|---|
| Early Childhood | (1,112) | - | - | - |
| Asset Management | 10,100 | - | - | - |
| Out-of-School Time | (421) | - | - | - |
| General Operating Expenses | 342,980 | - | - | - |
| Total Expenditures | 351,547 | - | - | - |

Revenue

| | | | | |
|-------------------------------------|------------------|---|---|---|
| Charges for Services | 354,751 | - | - | - |
| Miscellaneous Revenue | 43,000 | - | - | - |
| Revenue from the Commonwealth | 25,050 | - | - | - |
| Revenue from the Federal Government | 54,530 | - | - | - |
| Total Revenues | 477,331 | - | - | - |
| General City Support | (125,784) | - | - | - |

FD603: Landscaping Internal Service Fund

Expenditures

| | | | | |
|----------------------------|------------------|------------------|------------------|----------------|
| Maintenance Management | 1,408 | - | - | - |
| Sports Management | 583 | - | - | - |
| Special Zones Management | 1,329 | - | - | - |
| Schools' Landscaping | 5,052,253 | 5,444,060 | 5,924,039 | 479,979 |
| General Operating Expenses | 12,171 | - | - | - |
| Total Expenditures | 5,067,744 | 5,444,060 | 5,924,039 | 479,979 |

Revenue

| | | | | |
|------------------------------------|------------------|------------------|------------------|----------------|
| Charges for Services | 4,929,962 | 5,444,060 | 5,924,039 | 479,979 |
| From the Use of Money and Property | 39,206 | - | - | - |
| Total Revenues | 4,969,168 | 5,444,060 | 5,924,039 | 479,979 |
| General City Support | 98,576 | - | - | - |

FD801: City Beautification Fund

Expenditures

| | | | | |
|---------------------------|---------------|----------------|----------------|---|
| Asset Management | 45,914 | 100,000 | 100,000 | - |
| Maintenance Management | 948 | - | - | - |
| Schools' Landscaping | 161 | - | - | - |
| Total Expenditures | 47,023 | 100,000 | 100,000 | - |

Revenue

| | | | | |
|-----------------------------|---------------|----------------|----------------|----------|
| Charges for Services | 36,796 | 100,000 | 100,000 | - |
| Total Revenues | 36,796 | 100,000 | 100,000 | - |
| General City Support | 10,227 | - | - | - |

FD814: Parks And Recreation Gift Fund

Expenditures

| | | | | |
|----------------------------|---------------|---------------|---------------|---------------|
| Sports Management | 2,999 | - | - | - |
| Outdoor and Special Events | 22,249 | - | - | - |
| Recreation Services | 208 | - | - | - |
| General Operating Expenses | 335 | 55,000 | 84,000 | 29,000 |
| Total Expenditures | 25,791 | 55,000 | 84,000 | 29,000 |

Revenue

| | | | | |
|------------------------------------|----------------|---------------|---------------|---------------|
| Miscellaneous Revenue | 27,265 | 55,000 | 84,000 | 29,000 |
| From the Use of Money and Property | 2,761 | - | - | - |
| Total Revenues | 30,026 | 55,000 | 84,000 | 29,000 |
| General City Support | (4,235) | - | - | - |

FD822: Tree Mitigation

Expenditures

| | | | | |
|---------------------------|----------|----------|----------------|----------------|
| Asset Management | - | - | 394,890 | 394,890 |
| Total Expenditures | - | - | 394,890 | 394,890 |

Revenue

| | | | | |
|-----------------------------|----------|----------|----------------|----------------|
| Charges for Services | - | - | 394,890 | 394,890 |
| Total Revenues | - | - | 394,890 | 394,890 |
| General City Support | - | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
|--|----------------------|-----------------------|------------------------|--------------------------|

FD100: General Fund

Position Summary

| | | | | |
|------------------------|-------|-------|-------|------|
| Early Childhood | - | 30.59 | 31.59 | 1.00 |
| Inclusion Services | - | 16.62 | 16.62 | - |
| Asset Management | 29.93 | 24.00 | 24.00 | - |
| Maintenance Management | 80.00 | 80.00 | 80.00 | - |

| | | | | |
|-------------------------------|---------------|---------------|---------------|--------------|
| Life Cycle Management | 38.00 | 38.00 | 38.00 | - |
| Sports Management | - | 22.92 | 22.92 | - |
| Out-of-School Time | - | 168.62 | 177.37 | 8.75 |
| Therapeutic | - | 13.18 | 13.18 | - |
| Youth Opportunities | - | 8.10 | 7.10 | (1.00) |
| Outdoor and Special Events | - | 8.06 | 10.06 | 2.00 |
| Parks and Natural Areas | - | 14.51 | 14.51 | - |
| Park Services | - | 26.12 | 26.12 | - |
| Special Zones Management | 24.00 | 31.00 | 31.00 | - |
| Parks After Dark | - | 5.93 | 5.93 | - |
| General Fund Positions | 171.93 | 487.65 | 498.40 | 10.75 |

FD223: Open Space and Parks Special Revenue Fund

Position Summary

| | | | | |
|--|-------------|-------------|-------------|----------|
| Park Services | 4.40 | 4.40 | 4.40 | - |
| Open Space Planning | 2.00 | 2.00 | 2.00 | - |
| Open Space and Parks Special Revenue Fund Positions | 6.40 | 6.40 | 6.40 | - |

FD224: Parks And Recreation Special Revenue Fund

Position Summary

| | | | | |
|--------------------------------|--------|-------|-------|--------|
| Business Center | 10.00 | 5.00 | 5.00 | - |
| Employment Services | 9.02 | 13.02 | 13.02 | - |
| Early Childhood | 30.59 | - | - | - |
| Marketing | 7.00 | 7.00 | 7.00 | - |
| Planning | 7.00 | 8.00 | 8.00 | - |
| Inclusion Services | 16.62 | - | - | - |
| Sports Management | 22.92 | - | - | - |
| Strategic Initiatives Unit | - | 3.00 | 3.00 | - |
| Out-of-School Time | 173.12 | - | - | - |
| Therapeutic | 12.18 | - | - | - |
| Youth Opportunities | 8.10 | - | - | - |
| Information Technology Program | 4.00 | 4.00 | 4.00 | - |
| Administration | 3.00 | 3.00 | 3.00 | - |
| Outdoor and Special Events | 8.06 | - | - | - |
| Parks and Natural Areas | 17.22 | - | - | - |
| Park Services | 26.12 | - | - | - |
| Special Zones Management | 7.00 | - | - | - |
| Member Services | 51.65 | 50.65 | 50.65 | - |
| Recreation Services | 87.22 | 89.93 | 90.93 | 1.00 |
| Aquatics | 86.64 | 87.14 | 91.14 | 4.00 |
| Fitness | 27.25 | 26.25 | 25.25 | (1.00) |
| General Operations | 2.00 | 4.00 | 4.00 | - |

| | | | | |
|---|--------|--------|--------|------|
| Parks And Recreation Special Revenue Fund Positions | 616.71 | 300.99 | 304.99 | 4.00 |
|---|--------|--------|--------|------|

FD241: Tourism Investment Program Special Revenue Fund

Position Summary

| | | | | |
|--|--------------|--------------|--------------|----------|
| Special Zones Management | 12.00 | 12.00 | 12.00 | - |
| Tourism Investment Program Special Revenue Fund Positions | 12.00 | 12.00 | 12.00 | - |

FD603: Landscaping Internal Service Fund

Position Summary

| | | | | |
|--|--------------|--------------|--------------|----------|
| Schools' Landscaping | 68.00 | 68.00 | 68.00 | - |
| Landscaping Internal Service Fund Positions | 68.00 | 68.00 | 68.00 | - |

FD822: Tree Mitigation

Position Summary

| | | | | |
|---------------------------------------|---------------|---------------|---------------|--------------|
| Asset Management | 0.00 | 0.00 | 1.00 | 1.00 |
| Tree Mitigation Fund Positions | 0.00 | 0.00 | 1.00 | 1.00 |
| Total Positions | 875.04 | 875.04 | 890.79 | 15.75 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

PLANNING AND COMMUNITY DEVELOPMENT



The mission of the Planning and Community Development Department is to provide superior, rewarding, and responsive customer service by meeting or exceeding customers' expectations; protect and preserve the safety and welfare of citizens and visitors through upholding codes, policies, and regulations; and collaborate as well as communicate with all stakeholders in all facets and functions of community design and development.

Department Overview

Planning Services

Includes the Director's Office, which offers development liaison services and executive leadership to the Planning Department, as well as the Management and Support Division, which provides budget, human resource, financial, technical, customer service, and administrative support.

Planning Administration

Provides staff support for land use and planning items considered by the City Council, Planning Commission, Wetlands Board, Chesapeake Bay Preservation Area Board (CBPA), Historic Preservation Commission, and Historical Review Board. Planning Administration works with applicants on each phase of the process to ensure land use compliance with ordinances and adopted plans and policies. Expertise is also provided during the management and review of non-discretionary land use development proposals such as waterfront permits and administrative CBPA variances.

Zoning Administration

Responsible for the interpretation and enforcement of the City's Zoning Ordinance and provides staff support for the Board of Zoning Appeals. Zoning staff are also responsible for the implementation and enforcement of the City Council adopted regulations governing Short-Term Rentals. Inspections staff are also assigned to the Resort Management Office to assist in focused code enforcement in the Resort Area.

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, and CBPA 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 Area (SGA)

The City of Virginia Beach growth strategy is to accommodate and absorb urban growth with a focus on planning and infrastructure. The SGA Office (Project Delivery Team) manages the Economic and Tourism Development CIP section.

Budget Per Capita



Note: The decrease in FY 2021-22 is the result of the transfer of portions of the SGA Office and the entire Parking Management Office from Planning to Economic Development. The decrease in FY 2022-23 is the result of HRT moving to Non-Departmental. In FY 2024-25, SGA Office moved back to Planning.

Long Range Planning

Includes Comprehensive Planning, Strategic Growth Areas (SGAs), and Transportation Planning. Comprehensive Planning provides medium- and long-term planning policy analysis and recommendations. Comprehensive Planning ensures that plans are inclusive of long-range plans such as the Strategic Growth Area plans. 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.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|-------------|--------------|
| Number of inspections | 75,866 | 75,174 | 77,231 | 77,000 | 77,000 |
| Permits issued | 34,424 | 35,005 | 35,476 | 32,000 | 32,000 |
| Zoning inspections | 3,742 | 2,837 | 2,164 | 2,500 | 3,000 |
| Zoning permits issued | 2,166 | 3,631 | 2,331 | 2,800 | 3,000 |
| Cases heard by the Board of Zoning Appeals | 154 | 83 | 75 | 80 | 80 |
| Plans reviewed in the Development Services Center | 2,760 | 2,727 | 2,705 | 3,174 | 3,000 |
| Applications heard by the Planning Commission and City Council | 358/307 | 190/184 | 170/174 | 181/176 | 175/175 |
| Applications heard by the Wetlands Board | 63 | 66 | 36 | 76 | 72 |
| Applications heard by the Chesapeake Bay Preservation Board | 86 | 85 | 93 | 84 | 83 |
| Joint Waterfront Review permit applications | 255 | 334 | 116 | 246 | 187 |
| Number of small cell towers received * | 46 | 18 | 1 | 5 | 5 |
| Number of Short-Term Rental applications | 94 | 1,146 | 604 | 750 | 750 |

*In 2020 the Planning Department stopped requiring building permits for changing antennas on existing towers. As a result, the number of permits decreased in the following years.

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of customer service received from City employees | 73.0% | 38.0% | 40.6% |
| Adequacy of transit services offered | 35.9% | 44.7% | 37.8% |
| Effectiveness of City communications with the public | 49.9% | 48.3% | 38.2% |
| Availability of information about local government services and activities | 52.0% | 52.5% | 47.5% |

Trends & Issues

→ **Implementation of Revised Stormwater Management Regulations**

City Council approved changes to the stormwater management regulations and ordinances in March 2022. Staff is continuing work to implement these changes and refine requirements to maintain resiliency while streamlining review of development plans. Additional updates will be coordinated with the Stormwater Advisory Group as recommended by the Process Improvement Steering Committee.

→ **VBStat Implementation**

Significant gaps have been found in the reporting functions and automation of the Accela software. The Accela software provides a platform for citizens for permitting, licensing, code enforcement, and service request management. A federated technology model has been implemented within the Planning Department in which dedicated positions from Planning and IT support data reporting and tracking through Accela. This information is provided to the City Manager and Management Leadership Team (MLT) to make strategic decisions regarding the operations of the Planning Department.

→ **Comprehensive Plan Update**

The update of the Comprehensive Plan is underway utilizing the consulting services of Renaissance Planning. Several rounds of public engagement meetings have been held, with additional meetings planned for late Spring. An initial draft will be reviewed with the Planning Commission in Spring 2024 and is anticipated to reach final format for adoption by City Council in Fall/Winter 2024.

→ **Short-Term Rental Enforcement**

Short-Term Rental (STR) Enforcement will continue to be a high priority this year with regulations and processes set in place. City Council has adopted an ordinance to appoint a Task Force to review STR regulations and processes.

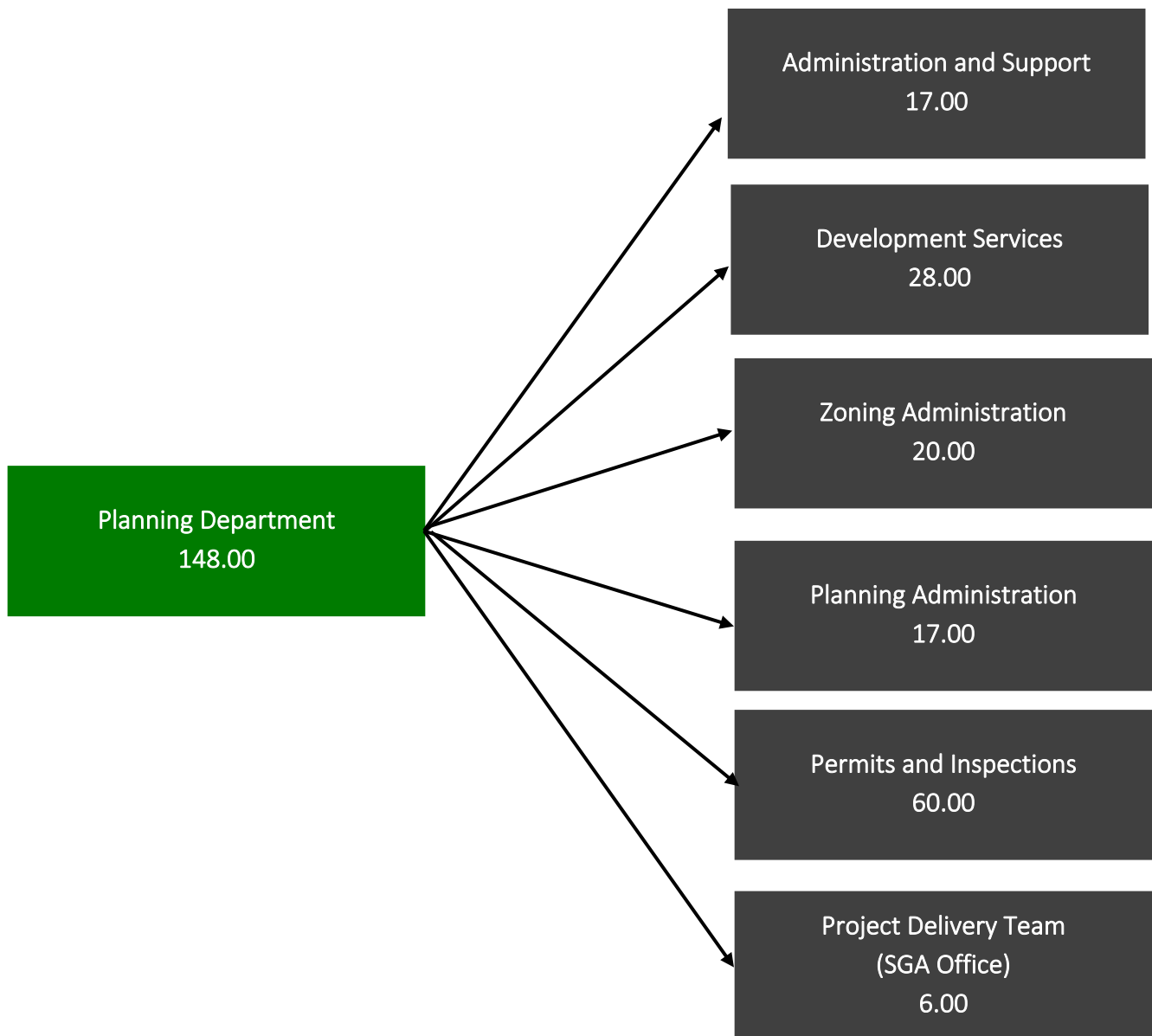
→ **Ordinance Updates for Stormwater and Chesapeake Bay Preservation Area**

The State, via the Department of Environmental Quality, is requiring mandated updates to the Chesapeake Bay Preservation Area ordinance by Fall 2024, and updates to the Virginia Stormwater Management Program and ordinances by Summer 2024. New ordinances must be drafted, reviewed, and adopted ahead of mandated deadlines. In addition to ordinance updates, Construction General Permits (5-year cycle) associated with all private development projects over one acre in size must submit for renewal through the Planning Department for continued coverage.

Major Budget Changes

| Change | | Impact |
|--------|--|--|
| ↓ | Right-of-Way Office (1.00) FTE \$106,262 | Establishment of a Right-of-Way Office within the Planning Department has been put on hold due to limited resources, and as a result one Right-of-Way Coordinator position has been eliminated. |
| ↑ | Strategic Growth Area (SGA) Office Reorganization 6.00 FTE \$676,899 | The Project Delivery Team, which consists of six employees, will transfer from Economic Development to the Planning Department in FY 2024-25. While the team will physically still reside within the Economic Development office in Town Center, it will directly report to the Planning Department. |

Department Organization Chart



**City Of Virginia Beach, Virginia
Planning - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Chesapeake Bay | 16,321 | 13,100 | 13,100 | - |
| Wetlands | 13,193 | 15,600 | 15,600 | - |
| Zoning Administration | 13,453 | - | - | - |
| Public Utilities Program | 374,978 | 398,442 | 405,226 | 6,784 |
| General Operating Expenses | 11,688,042 | 14,080,598 | 15,382,749 | 1,302,151 |
| Total Expenditures | 12,105,988 | 14,507,740 | 15,816,675 | 1,308,935 |
| Revenue | | | | |
| Charges for Services | 341,980 | 293,234 | 293,234 | - |
| Permits, Fees, and Regulatory Licenses | 6,060,159 | 5,878,834 | 5,878,834 | - |
| From the Use of Money and Property | - | 12,040 | 12,040 | - |
| Transfer In | 517,302 | 533,413 | 534,419 | 1,006 |
| Total Revenues | 6,919,440 | 6,717,521 | 6,718,527 | 1,006 |
| General City Support | 5,186,547 | 7,790,219 | 9,098,148 | 1,307,929 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Public Utilities Program | 3.00 | 3.00 | 3.00 | - |
| General Operations | 139.00 | 140.00 | 145.00 | 5.00 |
| Total Positions | 142.00 | 143.00 | 148.00 | 5.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

POLICE



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

Department Overview

The Police Department’s core areas of operations are:

Administration Division

Administration includes the Professional Standards Bureau (to include Internal Affairs Unit), and the Animal Services Bureau.

Operations Division

Consists of the four precincts and Special Operations Bureau, to include 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, motorcycle unit, traffic safety unit, hit and run team, mounted patrol, and motor carrier safety unit.

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.

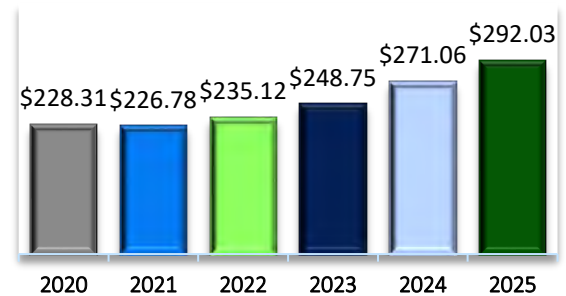
Special Investigations

This bureau of the Investigative Division conducts 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; and coordinating departmental purchasing and budgeting.

Budget Per Capita



Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 25 PROJ |
|---|---------|---------|---------|-------------|------------|
| Clearance rate of Part 1 Violent Crimes | 77% | 73% | 68% | 68% | 68% |
| Clearance rate of Part 1 Property Crimes | 18.80% | 18% | 19% | 19% | 19% |
| Number of emergency calls for service | 11,109 | 12,302 | 10,838 | 10,838 | 10,838 |
| Average response time to emergency calls | 6.9 | 6.9 | 6.5 | 6.5 | 6.5 |
| Number of fatal crashes | 28 | 22 | 28 | 28 | 28 |
| Resident positive response to Police efforts to collaborate with the public to address concerns | - | - | 63.7% | 63.7% | 63.7% |
| Police relationship with the Community | - | - | 73.6% | 73.6% | 73.6% |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of police services | 79.5% | 62.5% | 54.6% |
| The City's overall efforts to prevent crime | 65.9% | 57.8% | 50.4% |
| Animal Control Services | 68.3% | 61.3% | 50.4% |
| Response time for police services | 70.7% | 70.2% | 57.6% |
| Enforcement of local traffic laws | 56.5% | 61% | 50.6% |

Trends & Issues

→ Police Executive Research Forum Policy Examination

In partnership with the Police Executive Research Forum (PERF), the VBPD is looking to improve service delivery through strong national leadership, public debate of police and criminal justice issues, and research and policy development. This examination focused on the analysis of the following policies: use of force, vehicle pursuit, canine deployment, body worn camera usage, and secondary employment.

→ Recruitment and Staffing Efforts

In FY 2021-22, the VBPD established the Cadet Program which added 6.7 FTEs which offers an opportunity to prepare for the Police Academy for potential recruits who would be too young to join the department.

→ Off-Duty Detail Research Project

VBPD is implementing a new off-duty detail (secondary employment) process to address reports of fatigue, etc. The goal will be to balance off-duty employment with department operational needs, responsibilities, and service demands.

→ **Officer Wellness**

Law enforcement officers are experiencing higher levels of stress which negatively affects their mental and physical wellness. The department’s health and wellbeing remain a high priority. As a critical piece to the VBPD’s success, access to a wide variety of services and resources is being provided to ensure physical, emotional, and mental health. The department has hired its first Chief Wellness Officer to coordinate these efforts.

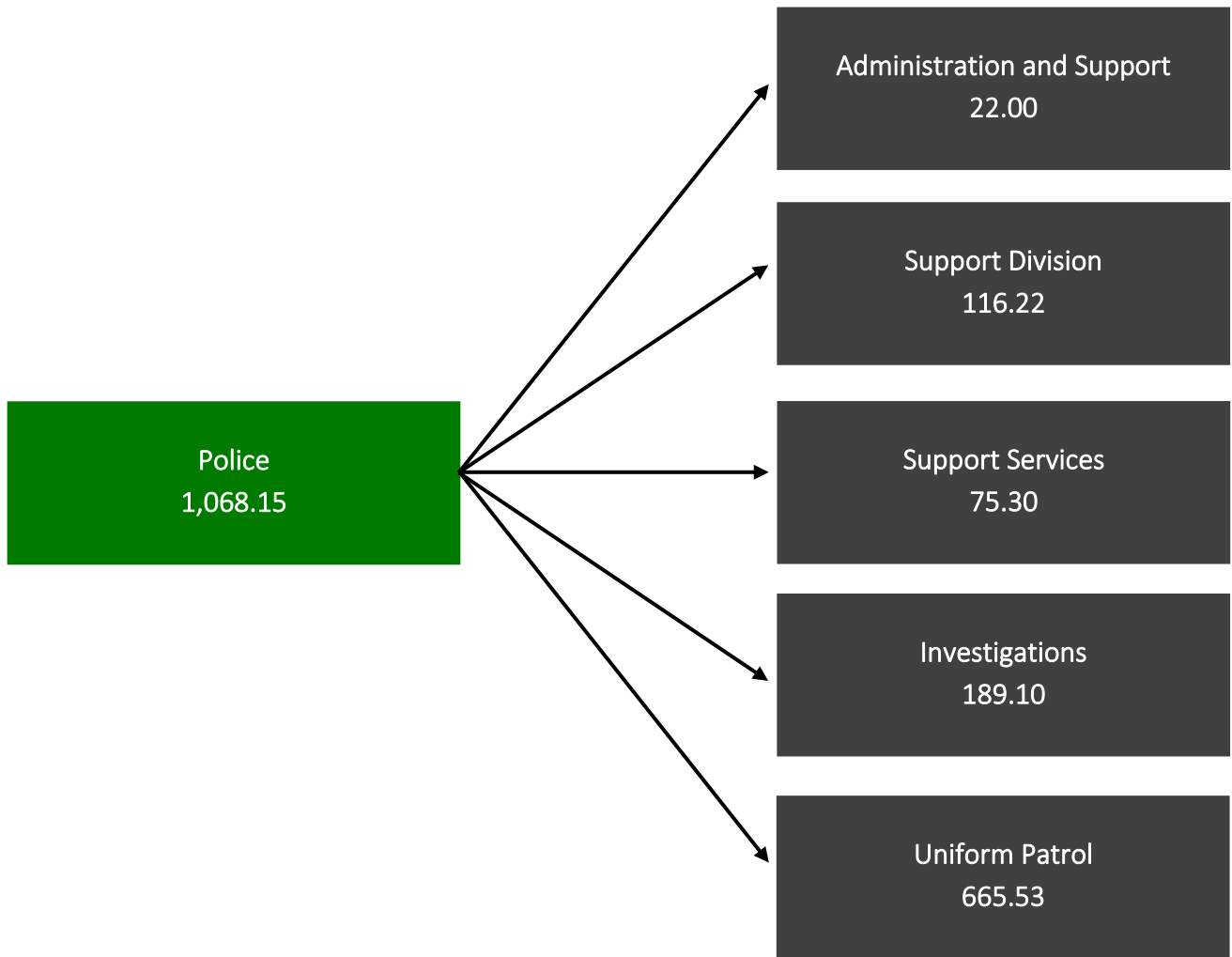
→ **Real Time Crime Center**

The buildout of the Real Time Crime Center within the new Police Headquarters facility will be completed and staffed in 2024. When staffed, this near 24-hour monitoring and analysis center will greatly enhance the Department’s rapid response capability and allow for the integration of real time data inputs from multiple sources such as ShotSpotter, BrassTrax/NIBN, Automated License Plate Readers, the citywide camera system, and social network analysis.

Major Budget Changes

| | Change | Impact |
|---|--|--|
| ↑ | Licensing Agreements for Fusus, Cobwebs, ShotSpotter, and Flock \$866,775 | Licensing Agreements for Fusus, Cobwebs, ShotSpotter, and Flock were funded out of CIP’s initially but now need to be continued. This funding is for annual subscriptions and software maintenance which are more accurately reported as operating budget costs. These costs will be an annual operating budget expense as long as these software are in use by the Police Department. |
| ↑ | Additional License Plate Readers \$100,000 | The Police Department’s operating budget was increased to add new cameras across the city to quickly identify and apprehend criminals via vehicle association. This expands upon existing technology that has proven to be a true force multiplier for VBPD and will be used in the Real Time Crime Center. Funds for this initiative are appropriated within the Forfeited Assets Special Revenue Fund. |

Department Organization Chart



**City Of Virginia Beach, Virginia
Police - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| Animal Control | 4,153,000 | 4,014,227 | 4,212,544 | 198,317 |
| Community Engagement | 35,621 | - | - | - |
| Forensic Services | - | 1,652,451 | - | (1,652,451) |
| Technology & Special Projects | 1,405,855 | 4,538,064 | 8,591,004 | 4,052,940 |
| False Alarms | 76,288 | 34,225 | 7,252 | (26,973) |
| Training, Learning, and Development | 5,809,535 | 5,770,484 | 5,785,862 | 15,378 |
| Helicopter Unit | 738,220 | 763,220 | 919,245 | 156,025 |
| K9 Unit | 2,588,713 | 2,419,742 | 2,501,344 | 81,602 |
| Marine Patrol | 1,244,495 | 1,338,387 | 1,448,524 | 110,137 |
| Mounted Patrol | 1,403,605 | 1,311,474 | 1,345,212 | 33,738 |
| Redlight Camera | 974,120 | 1,187,810 | 1,015,413 | (172,397) |
| School Resource Officer | 3,074,911 | 2,971,647 | 3,099,526 | 127,879 |
| Special Investigations | 7,182,782 | 7,214,485 | 7,355,821 | 141,336 |
| Commercial Extraditions | 246,548 | 403,923 | 403,956 | 33 |
| General Operating Expenses | 89,589,567 | 90,212,844 | 95,678,977 | 5,466,133 |
| Total Expenditures | 118,523,260 | 123,832,983 | 132,364,680 | 8,531,697 |
| Revenue | | | | |
| Charges for Services | 247,130 | 240,250 | 250,550 | 10,300 |
| Permits, Fees, and Regulatory Licenses | 3,008,957 | 2,653,900 | 2,766,475 | 112,575 |
| Miscellaneous Revenue | 282,275 | 250,000 | 267,000 | 17,000 |
| From the Use of Money and Property | - | 7,500 | 10,300 | 2,800 |
| Revenue from the Commonwealth | 297,869 | 350,000 | 350,000 | - |
| Revenue from the Federal Government | 168,573 | 165,000 | 213,000 | 48,000 |
| Total Revenues | 4,004,803 | 3,666,650 | 3,857,325 | 190,675 |
| General City Support | 114,518,457 | 120,166,333 | 128,507,355 | 8,341,022 |

FD231: Police Forfeited Assets Special Revenue Fund

Expenditures

| | | | | |
|--|---------|---|---|---|
| Drug Enforcement Administration (DEA) Police State | 186,583 | - | - | - |
|--|---------|---|---|---|

**City Of Virginia Beach, Virginia
Police - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Drug Enforcement Administration (DEA) Police Federal Justice | 260,089 | - | - | - |
| General Operating Expenses | 23,627 | - | 100,000 | 100,000 |
| Total Expenditures | 470,299 | - | 100,000 | 100,000 |

Revenue

| | | | | |
|-------------------------------------|----------------|----------|----------------|----------------|
| From the Use of Money and Property | 26,160 | - | - | - |
| Revenue from the Commonwealth | 193,988 | - | 100,000 | 100,000 |
| Revenue from the Federal Government | 15,356 | - | - | - |
| Total Revenues | 235,503 | - | 100,000 | 100,000 |
| General City Support | 234,795 | - | - | - |

FD270: Consolidated Grants Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|----------------|----------|----------|----------|
| General Operating Expenses | 992,014 | - | - | - |
| Total Expenditures | 992,014 | - | - | - |

Revenue

| | | | | |
|-------------------------------------|----------------|----------|----------|----------|
| Revenue from the Commonwealth | 50,278 | - | - | - |
| Revenue from the Federal Government | 883,395 | - | - | - |
| Total Revenues | 933,672 | - | - | - |
| General City Support | 58,342 | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
|--|----------------------|-----------------------|------------------------|--------------------------|

FD100: General Fund

Position Summary

| | | | | |
|-------------------------------|-------|-------|-------|---------|
| Animal Control | 48.50 | 48.50 | 48.50 | - |
| Forensic Services | 19.00 | 19.00 | - | (19.00) |
| Technology & Special Projects | 4.00 | 4.00 | 3.00 | (1.00) |

**City Of Virginia Beach, Virginia
Police - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| False Alarms | 2.55 | - | - | - |
| Training, Learning, and Development | 43.42 | 45.42 | 38.72 | (6.70) |
| Helicopter Unit | 6.00 | 6.00 | 7.00 | 1.00 |
| K9 Unit | 17.00 | 16.00 | 17.00 | 1.00 |
| Marine Patrol | 10.46 | 10.46 | 10.46 | - |
| Mounted Patrol | 12.00 | 11.00 | 11.00 | - |
| Redlight Camera | 4.00 | 4.00 | 4.00 | - |
| School Resource Officer | 30.00 | 30.00 | 30.00 | - |
| Special Investigations | 61.00 | 61.00 | 60.00 | (1.00) |
| General Operations | 792.97 | 812.77 | 838.47 | 25.70 |
| Total Positions | 1,050.90 | 1,068.15 | 1,068.15 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

PUBLIC EDUCATION



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

Department Overview

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.

The overarching goals in the Schools' Strategic Framework, called *Compass to 2025*, are Educational Excellence; Student Well-Being; Student Ownership of Learning; An Exemplary, Diversified Workforce; Mutually Supportive Partnerships; and Organizational Effectiveness and Efficiency. Goals for the strategic framework have been expanded to allow for a substantial emphasis on equity and student ownership of learning, along with mental, physical, and digital wellness.

Academics are at the core of Virginia Beach City Public Schools, with a goal of having each student achieve their full academic potential by the time they graduate. Students are challenged to learn to communicate in foreign languages; explore and value the fine and practical arts; and understand the interrelationships of the countries and cultures of the world.

From early childhood through high school, VBCPS provides challenging instruction in language arts, math, science, and social studies, including advanced academic programs, honors classes in high school, and enrichment programs. Fine and performing arts, physical education, career and technical education, and world languages are integral parts of each child's education, from elementary through high school.

On February 6, 2024, the Superintendent of VBCPS presented the proposed Estimate of Needs (SEON) to the School Board. The budget as proposed including the General Fund, Categorical Grants, and other funds, totals \$1.4 billion and includes several initiatives as outlined on the following pages. On, March 5, 2024, it is expected that the School Board will adopt their proposed budget. Any changes between the SEON and official proposed budget will be incorporated into the Adopted FY 2024-25 budget through City Council Reconciliation.

The Superintendent's Estimate of Needs for Schools provides essentials for students and employees, along with resources and compensation to address several prevailing budget challenges. The City provides an appropriation for VBCPS in excess of the Commonwealth of Virginia Standards of Quality (SOQ) required local effort. According to a recent Joint Legislative Audit and Review Commission (JLARC) study, Virginia school divisions receive substantially less funding per K-12 student when compared to several benchmarks. These benchmarks include the 50-state average, the regional average, and three of Virginia's five bordering states. According to the report, a significant factor contributing to this underfunding is rooted in the SOQ formula. In particular, the SOQ formula underestimates the staffing requirements necessary to ensure a high-quality education for students, as it fails to accurately account for the workforce needed to meet educational standards. To compound the issue, the SOQ formula does not account for students with higher needs, including at-risk students, those in special education, and English learners. The state's funding allocations for these specific student populations fall short of the funding levels established as necessary by comprehensive cost studies conducted in other states.

Key Performance Measures

The table below illustrates how the school division has been performing on each of their performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|----------------------------------|----------|----------|----------|----------------|-----------------|
| Student enrollment | 66,836 | 63,698 | 63,598 | 63,132 | 62,517 |
| Per pupil expenditure | \$13,204 | \$15,020 | \$17,029 | \$17,012 | \$17,599 |
| On-time graduation rate | 94.9% | 94.9% | 95.3% | 95.3% | 95.3% |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of public schools | 71.1% | 47.6% | 23.5% |
| Perception As a place to raise children | 84.1% | 69.1% | 15.0% |

Trends and Issues

→ Employee Compensation and Workforce Challenges

The effects of the global pandemic continue to impact the workforce nationwide. Fewer students are choosing teaching as a career and since the pandemic, remote work and other career opportunities have resulted in employees, particularly teachers, continuing to make life-changing decisions about their careers. This, coupled with the already dwindling supply of newly trained teachers, continues to be a staffing challenge. Over the past four years, 2018-2019 through 2021-2022, the division's average retention rate for teachers was 90.40%. For the 2023- 2024 school year, VBCPS was fortunate that the retention rate increased from last year's 87.72% to 90.07%; however, the division remains below the four- year average of 90.40%. Particularly concerning is the inability to staff teachers in critical shortage areas such as Elementary and Middle School Education, Special Education, Mathematics, Secondary Science and English, and Career and Technical Education.

Staffing schools for the opening of the 2023-2024 school year was a challenge for the division. However, as more teachers decide to leave education, staffing challenges continue to be a concern. Therefore, the ability to award early commitment signing incentives and Letters of Intent is important in ensuring the division is at the forefront of hiring teachers in an extremely competitive arena. As a reminder, all local divisions are competing for teachers from a limited pool of candidates, and this pool lacks the capacity to fill all the available vacancies.

In support of Goal Four of the Strategic Framework Compass to 2025, VBCPS is focused on placing a priority on recruiting, hiring, supporting, and retaining high-quality staff in all positions. One of the top strategies aimed at addressing this goal is to provide a competitive compensation and benefit package for employees. This year, the school division funded one of the largest compensation packages for employees for both the Instructional Experience-based Step Pay Scale and the Unified Experience-based Step Pay Scale. This included adjusting the percentages between steps on both scales, creating a separate scale for identified specialists to provide more competitive salaries, and adjusting the educational allowances for eligible employees.

The lowest wage earners continue to be of concern as they work to ensure they are on target to meet the minimum wage benchmarks outlined by the Commonwealth of Virginia. The minimum wage changes over the next three years will impact the Unified Experience-based Step Pay Scale. Many employers in the Commonwealth have already moved to a \$15.00 minimum hourly rate. This affects the ability to hire positions such as custodians, cafeteria assistants, and bus assistants. This year, the school year opened with a total of 107 custodial vacancies, 73 food service vacancies, and 40 bus assistant vacancies. Having teachers and support staff in place to effectively operate our schools is imperative. While they made some progress in addressing our lowest wage earners, the division continues to fall behind competitors. Moving the lowest wage earners up to a minimum of \$15.00 per hour is one of the division's major goals.

The division will continue to work with a consultant to complete adjustments to the Unified Experience-based Step Pay Scale as well as review the competitiveness of the entry rate for the Instructional Experience-based Step Pay Scale. The school division ranks fourth place for entry-level teacher salaries and second place for all other benchmarks in the local market. While there has been progress compared to the division's seventh place ranking in entry-level salaries last year, there is still room for improvement. Given the dwindling supply of teachers, regaining that competitive edge will help to secure teachers for the students and the community. Recommendations from the study will be reviewed for implementation during the 2024-2025 fiscal year.

→ **Employee Benefits**

The health plan experienced a better-than-average trend (below the national median of 6.0%) during the five-year period ending in 2022 with an exception to the 2021 plan year that experienced an increase in the trend due to the return of care deferred during the pandemic. The favorable experience was influenced by multiple factors, including plan design changes, increased education and employee communication, implementation of online tools, a partnership with the Sentara Quality Care Network (SQCN), and the employee wellness program. As a result, the health fund balance grew for several years.

Current indicators suggest that the national trend for health care costs is rising, with key drivers that include growth in specialty pharmacy, overall inflation, the national behavioral health crisis, an increased prevalence of high-cost claimants, and the challenges (workforce-related and others) faced by the healthcare industry coming out of the pandemic.

The Benefits Executive Committee (a group of leadership members from the city and school), along with Mercer, the health and benefits consulting firm, will continue to closely monitor health plan utilization data, market trends, workplace priorities, and federal/state legislation that may impact cost and influence budget strategy. The existence of the health fund balance provides an important tool to not only allow for short-term plan subsidization but also to serve as a valuable risk management mechanism to drive financial plan stability for VBCPS. Deployment of the health fund balance will be thoughtful, purposeful, and forward-looking to optimize the value and effectiveness of the employee benefits program.

→ **School Safety**

It is proven that education in a safe and secure environment facilitates effective learning. School safety and the security of children are priorities that are routinely analyzed and enhanced at every opportunity. This past year, the Office of Security and Emergency Management (OSEM) initiated the armed security officer program. This program allows former law enforcement officers who qualify by the state and internal standards, to carry a firearm while working in a security capacity. OSEM is working with the School's Department of Human Resources and building principals to provide an armed security officer at each secondary school. Additionally, OSEM will participate in the School Safety Task Force (SSTF). The SSTF will assign training and physical security topics specific to OSEM. Subcommittees will be tasked with researching and providing the committee with a detailed evaluation of these

selected topics. VBCPS has consistently demonstrated its commitment to proactive and progressive school safety measures by investing in advanced security initiatives that require a significant financial commitment, including:

- Providing annual e-safety and security training for administrators and staff based on best practices developed in-house and learned from across the country, to ensure all are equipped with the knowledge to respond to any safety and security issue.
- Partnering with the Virginia Beach Police Department to ensure the success of the School Resource Officer (SRO) Program.
- Improving communication during an emergency and enhance technology with surveillance cameras, visitor identification systems, and electronic door-locking mechanisms.
- Performing comprehensive safety audits and work with all VBCPS departments to enhance safety and security policies and protocols, including updates to the Emergency Response Plan.
- Facilitating the activation of emergency shelters and act as liaison with the City, Virginia Center for School Safety, and the American Red Cross during significant critical incidents and emergencies.
- Providing leadership to security officers monitoring VBCPS school and auxiliary buildings.

→ Technology

VBCPS oversees one of Hampton Roads' largest technology infrastructures, a 160-mile fiber network across Virginia Beach, supporting over 120,000 computers and other tech equipment. VBCPS has a strategy that emphasizes enhancing the use of technology for personalized student learning. As part of this, VBCPS maintains a 1:1 device program, offering Chromebooks to all students, with the VBCPS Department of Technology supporting and repairing 70,000 of these devices. Funding from various sources has also enabled the replacement of older whiteboards with interactive displays, benefiting both students and staff. Additionally, the division invests in adaptive software to cater to students' diverse needs.

→ State and Federal Mandates

VBCPS must comply with state and federal mandates impacting division-wide needs and priorities. Mandates are not always funded and can burden localities and school divisions financially. These mandates range from new reporting requirements to new policies and procedures to unfunded equipment requirements. VBCPS is opposed to new state mandates requiring local school divisions to assume additional responsibilities or provide additional services without the state's share of funding such mandates.

→ VBCPS Achievements and Initiatives

- VBCPS has continued to lead the region and a prestigious group of comparable, high performing divisions in student performance on the State Standards of Learning Tests.
- Six schools earned the Highest Achievement Award from the Virginia Board of Education for the most recent award year: North Landing Elementary, Old Donation School, Princess Anne Elementary, Strawbridge Elementary, Three Oaks Elementary and Tallwood Elementary. To reach this designation, schools must be accredited and meet state benchmarks in reading, math, and science. Two high schools were recognized with Continuous Improvement Awards for increasing their graduation and completion index: Bayside and Green Run. Two elementary schools were recognized with Continuous Improvement Awards for increasing achievement in mathematics and reading: Parkway and White Oaks. Finally, Kempsville High School received the Innovative Practice Award for creating a cohesive, multi-pronged, school-wide plan to align student experiences with our graduate profile.

- For the 14th consecutive year, VBCPS reached a record-high On-Time Graduation (OTG) rate, which now stands at 95.3%. In addition, the division's dropout rate remained at 2.8% outperforming Virginia's rates of 91.9% for OTG and 5.4% for dropouts.
- For the 14th straight year, VBCPS has been named one of the Best Communities for Music Education by the National Association of Music Merchants (NAMM) Foundation for outstanding commitment to music education.
- U.S. News & World Report ranked Kingston Elementary and Old Donation School as the No. 1 elementary and middle schools in Virginia. Old Donation School was also ranked as the No. 2 elementary school in the state. The magazine analyzed more than 100,000 schools nationally, including 1,754 elementary and 1,005 middle schools in Virginia. VBCPS was the only school division in Hampton Roads to rank in the magazine's Top 10 for elementary schools in Virginia, and several of our middle and high schools ranked in the Top 50.
- Great Neck and Salem middle schools once again received distinction as AVID National Demonstration Schools. This elite designation has been awarded to only 200 of 8,000 AVID schools in the United States and around the world. AVID National Demonstration Schools exhibit a college and career readiness culture through rigor and high expectations for all students throughout the school.
- Bayside Sixth Grade Campus was named a 2022- 23 National ESEA Distinguished School. Two schools from every state receive the award, which is presented by the National Association of ESEA State Program Administrators. Bayside Sixth was acknowledged for demonstrating exceptional student performance for two consecutive years.
- VBCPS currently has 82 schools and centers that have earned the VDOE Purple Star Designation. The most recent schools to earn this distinction are Cox High School, Indian Lakes Elementary, John B. Dey Elementary and Birdneck Elementary, which earned the designation for the second time. The Purple Star designation is awarded to military-friendly schools that have demonstrated their commitment to meeting the needs of military families. There are over 11,500 military-connected students in VBCPS.
- Since the industry credential program began in 2002, over 155,000 industry credentials have been earned by VBCPS students. Each year, students have access to over 125 different credentials that link to career fields. Last year students earned a record 13,520 globally recognized industry credentials as a validation of their career readiness.
- More than 1,000 high school students participated in work-based and service learning in 2022-2023 involving more than 150 partner organizations, yielding an estimated economic impact of over \$430,000 in wage-hour equivalency.
- VBCPS and An Achievable Dream (AAD) expanded their partnership with the opening of a new addition at Lynnhaven Middle School in August 2023. The 25,000-square-foot addition is home to the new Lynnhaven AAD High School Program.
- VBCPS opened the Renewable Energy program for students at the Advanced Technology Center this past fall. A specially equipped classroom helps students explore emerging technologies in solar, offshore wind and electric vehicles. The classroom project is supported by the Virginia Beach Education Foundation and the Accelerating Change Together (ACT) Grant partners.
- Eight of the 11 VBCPS comprehensive high schools earned the National Gold Council of Excellence Award from the National Association of Student Councils (NASC) in 2023, with a ninth school earning the National Council of Excellence Award. This award recognizes student councils for their records of leadership, service and activities that improve the school and community. VBCPS represents almost 70% of Virginia schools on the list of awardees.

→ Grant Funding

VBCPS is one of a select number of school divisions being awarded the School-Based Mental Health Services Grant from Virginia Department of Behavior Health & Development Services for the 2023-24 school year. This highly competitive grant provides VBCPS \$393,000 to support students, staff, and families by strengthening school-based mental health services and resources within the Multi-Tiered Systems of Support framework.

→ Capital Improvement Program (CIP) and School Modernization

In addition to the operating budget, VBCPS recognizes the need for ongoing capital improvements across the division—another part of VBCPS' commitment to ensure that every student and every staff member is in an environment that is healthy, safe, and conducive for teaching and learning. The Capital Improvement Program (CIP) funds the maintenance of nearly 11 million square feet and 1,900 acres of space.

The Proposed FY2024-25 through FY2029-30 proposed CIP prioritizes maintenance projects. Funding related to the categories of HVAC and reroofing have been increased in order to meet deferred needs in those areas. While total CIP funding remains flat throughout the six-year program, appropriations for all CIP maintenance projects have been adjusted for inflation annually throughout the six-year program. Additional funding and an increase in debt service will be needed to support the modernization program. The FY25-FY30 proposed CIP is intended to help VBCPS keep up with the needs of its aging existing buildings and systems.

VBCPS FY 2024-25 Budget Highlights

For FY 2024-25, VBCPS anticipates receiving a little over \$1 billion in the School Operating fund. The FY2024-25 Proposed Operating Budget for Schools includes \$15.6 million increased revenue from the Amended FY 2024-25 Budget, primarily at the local level. From the Commonwealth, VBCPS has proposed funding of \$455.9 million in revenue to support their operational needs. The General Assembly will adopt its final changes to the biennial budget by June of 2024. Any changes will be incorporated by School Board and City Council.

A large contributing factor for the Schools' substantial budget is the City's continued support of VBCPS through the Revenue Sharing Formula (RSF). Based on FY 2024-25 revenue estimates provided through the Five-Year Forecast, VBCPS' share of local revenues is \$526.7million, a \$13.5 million increase from the prior year.

Through the use of these combined resources, VBCPS has developed an Operating Budget with an emphasis on staffing and compensation needs. Similar to the City, VBCPS is facing staffing shortages and the School Board has made addressing this issue a top priority.

After the adoption of the FY 2023-24 budget, VBCPS secured an additional appropriation from the state, totaling \$3,408,066. These funds were used to provide an additional 2.0% salary increase, effective January 1, 2024. This cost was annualized for the FY2024-25 budget.

Also included within the baseline operations of VBCPS, is a transfer of pay-as-you-go funding of \$3 million to the CIP.

City/School Revenue Sharing Formula (RSF)

The City Council implemented the City/School Revenue Sharing Policy in 1997 to establish a framework for distributing local tax revenues between the City and School division. The primary goal of this policy is to maintain a balance in funding for School and City programs by incorporating a diverse revenue stream that can mitigate significant changes in the economy. Initially, the policy distributed seven of the fastest growing and most stable revenue sources between City and School services and programs. Over time, the formula underwent multiple revisions to align with changes in state law and revenue streams. A new revenue sharing formula was adopted by the City Council and School Board in FY2013-14, with further modifications in November 2015. The formula remained unchanged through FY 2018-19 and was last

adjusted in FY 2019-20 in preparation for the FY 2020-21 budget. Originally set to be effective until June 30, 2024, the policy received an extension until June 30, 2025, by both the School Board and the City Council.






School divisions in Virginia do not have taxing authority and are fiscally dependent on the local government. As such, local contributions calculated using the RSF continue to be the most substantial source of revenue for VBCPS. From the local appropriation received, funds are first distributed to debt service and Pay-As-You-Go (PAYGO) for the CIP.

The Revenue Sharing Formula is calculated as follows:

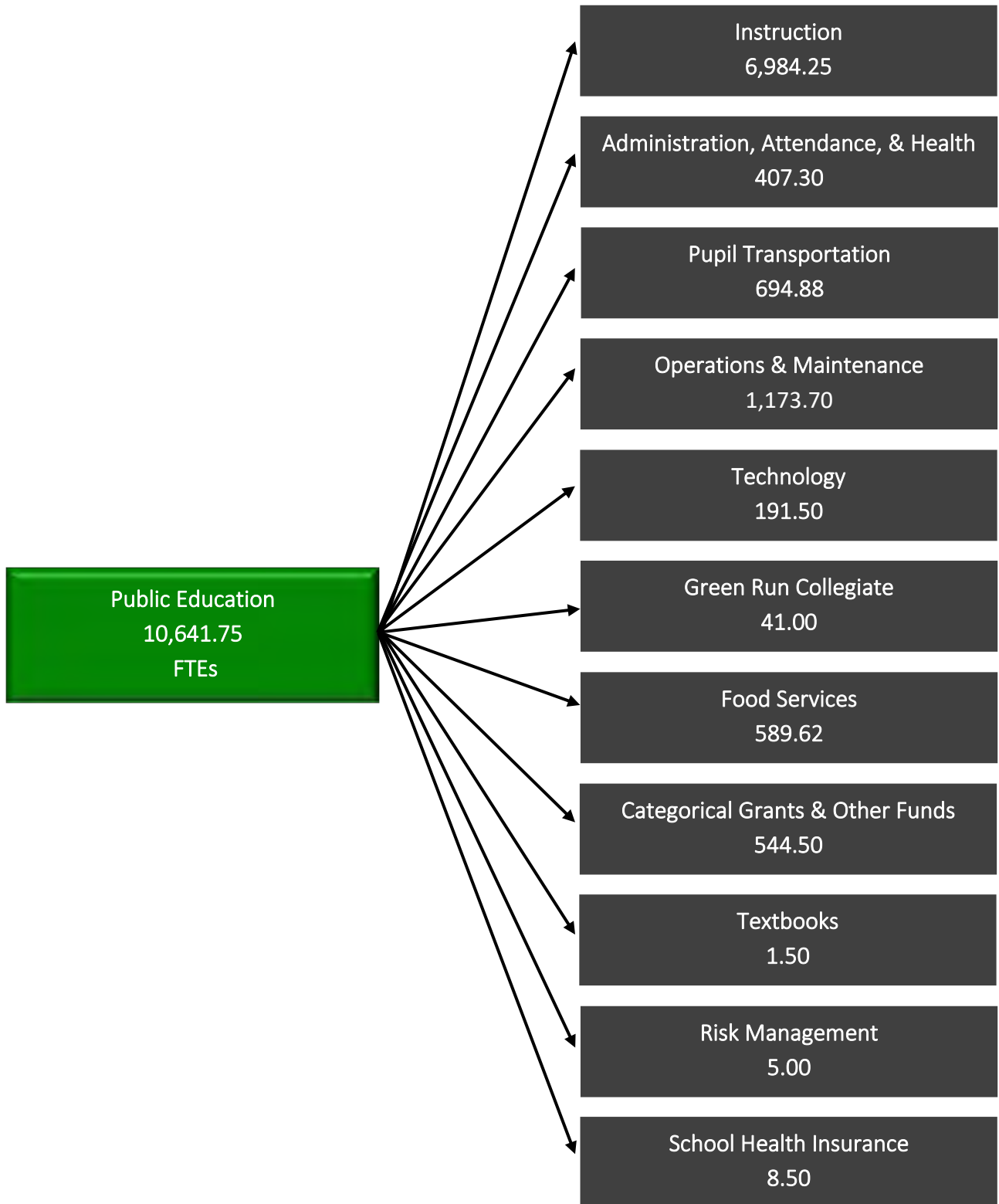
- Compile the base for the computation to include all local, non-dedicated, General Fund tax revenues consistent with the current formula
- Multiply the General Fund formula revenues by 46.75%
- Provide this amount to the Schools as the City’s contribution

A full accounting of this formula can be found in the appendix section of this document.

Major Budget Changes

| | Change | Impact |
|---|---|---|
|  | Increase in State Revenue + \$544,513 | State revenue for FY2024-25 increased by \$545k, compared to the amended FY2023-24 budget of \$455.4 million. The FY2024-25 total is \$455.9 million. This figure will be refined as the State will adopt a budget prior to the start of the fiscal year. |
|  | Increase in City Support Through the Revenue Sharing Formula +\$13.6 million | School Operating fund local revenue generated through the Revenue Sharing Formula totals \$526,781,515 an increase of nearly \$13.5 million. |
|  | Decrease in the use of School Reserve (reversion) Revenue -\$333,591 | VBCPS will use \$0 of School Reserve (reversion) revenue to balance the FY 2024-25 School Operating Budget. The School Reserve revenue amount represents a decrease of \$334K below the previous fiscal year. The current balance of this fund is \$15.3 million and \$11 million is programmed to be used in the Capital Improvement Program. |
|  | Compensation Increase +\$19,139,412 | The proposed budget fully funds the 2% compensation approved in January 2024 and step increase. The target is to meet the minimum wage benchmarks outlined by the Commonwealth of Virginia, with a minimum wage of \$15.00 hourly rate. |
|  | Decrease in Personnel -36.40 Net | Decrease in Personnel with a net change of -36.40 FTEs. Fund 115-School Operating incurred a decrease of 80.30 FTEs in Instruction, a decrease of 2.8 FTEs for Administration, Attendance and Health, and an increase of 22.60 FTEs for Operations and Maintenance, and an increase of 3.5 FTEs for Technology. Fund 201 – Green Run Collegiate increased by 0.10 positions. Fund 213 – Cafeteria increased by 25.0 FTEs and the Grant Fund lost 4.50 FTEs. |

Department Organization Chart



City of Virginia Beach, Virginia
Public Education- Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| <u>Program Summary</u> | | | | |
| <u>FD115: School Operating Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Instruction | 604,166,018 | 671,753,368 | 681,157,373 | 9,404,005 |
| Administration, Attendance, and Health | 38,006,196 | 45,028,190 | 45,390,289 | 362,099 |
| Pupil Transportation | 48,997,733 | 50,857,111 | 51,926,927 | 1,069,816 |
| Operations and Maintenance | 106,473,251 | 110,978,337 | 115,047,886 | 4,069,549 |
| Technology | 45,901,051 | 40,800,576 | 44,465,962 | 3,665,386 |
| Debt Service | 46,409,024 | 50,071,611 | 50,071,611 | - |
| Transfer to Other Funds | 15,275,827 | 14,665,512 | 16,518,825 | 1,853,313 |
| School Reserve for Contingencies | - | - | (5,866,750) | (5,866,750) |
| Pay-As-You-Go | 1,000,000 | 2,000,000 | 3,000,000 | 1,000,000 |
| Total Expenditures | 906,229,100 | 986,154,705 | 1,001,712,123 | 15,557,418 |
| <u>Revenue</u> | | | | |
| Charges for Services | 1,019,300 | - | - | - |
| Miscellaneous Revenue | 2,927,526 | 3,968,341 | 4,457,538 | 489,197 |
| From the Use of Money and Property | 332,074 | - | - | - |
| Revenue from the Commonwealth | 424,442,823 | 455,402,658 | 455,947,171 | 544,513 |
| Revenue from the Federal Government | 18,437,704 | 13,500,000 | 14,744,107 | 1,244,107 |
| Other Financing Sources | 607,655 | - | - | - |
| Transfer In | 458,462,018 | 513,283,706 | 526,563,307 | 13,279,601 |
| Total Revenues | 906,229,100 | 986,154,705 | 1,001,712,123 | 15,557,418 |
| General City Support | - | - | - | - |
| <u>FD201: Green Run Collegiate Charter School Operating Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Instruction | 3,817,646 | 4,002,964 | 4,497,286 | 494,322 |
| Pupil Transportation | 297,128 | 321,578 | 336,578 | 15,000 |
| Technology | 14,333 | 39,387 | 39,387 | - |
| Total Expenditures | 4,129,108 | 4,363,929 | 4,873,251 | 509,322 |
| <u>Revenue</u> | | | | |
| Transfer In | 4,144,443 | 4,363,929 | 4,873,251 | 509,322 |
| Total Revenues | 4,144,443 | 4,363,929 | 4,873,251 | 509,322 |
| General City Support | (15,335) | - | - | - |
| <u>FD203: School Instructional Technology Special Revenue Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Technology | 48,362 | 560,840 | 1,000,000 | 439,160 |
| Total Expenditures | 48,362 | 560,840 | 1,000,000 | 439,160 |

Revenue

| | | | | |
|------------------------------------|------------------|----------------|------------------|----------------|
| From the Use of Money and Property | 264,081 | - | - | - |
| Specific Fund Reserves | - | 560,840 | 1,000,000 | 439,160 |
| Total Revenues | 264,081 | 560,840 | 1,000,000 | 439,160 |
| General City Support | (215,719) | - | - | - |

FD204: School Athletics Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|------------------|------------------|------------------|----------------|
| Instruction | 5,203,089 | 5,771,170 | 6,367,588 | 596,418 |
| Operations and Maintenance | 17,867 | - | - | - |
| Total Expenditures | 5,220,955 | 5,771,170 | 6,367,588 | 596,418 |

Revenue

| | | | | |
|------------------------------------|------------------|------------------|------------------|----------------|
| Charges for Services | - | 65,000 | 65,000 | - |
| Miscellaneous Revenue | 650,747 | 489,000 | 489,000 | - |
| From the Use of Money and Property | 28,446 | 5,000 | 5,000 | - |
| Transfer In | 4,709,590 | 5,212,170 | 5,808,588 | 596,418 |
| Total Revenues | 5,388,782 | 5,771,170 | 6,367,588 | 596,418 |
| General City Support | (167,827) | - | - | - |

FD210: School Equipment Replacement Special Revenue Fund

Expenditures

| | | | | |
|---------------------------|---------------|----------------|----------------|---------------|
| Instruction | 490 | - | - | - |
| Technology | 94,652 | 327,651 | 400,000 | 72,349 |
| Total Expenditures | 95,142 | 327,651 | 400,000 | 72,349 |

Revenue

| | | | | |
|------------------------------------|---------------|----------------|----------------|---------------|
| From the Use of Money and Property | 8,438 | - | - | - |
| Specific Fund Reserves | - | 327,651 | 400,000 | 72,349 |
| Total Revenues | 8,438 | 327,651 | 400,000 | 72,349 |
| General City Support | 86,704 | - | - | - |

FD211: School Vending Operations Special Revenue Fund

Expenditures

| | | | | |
|---------------------------|---------------|----------------|----------------|---------------|
| Instruction | 64,198 | 130,000 | 150,000 | 20,000 |
| Total Expenditures | 64,198 | 130,000 | 150,000 | 20,000 |

Revenue

| | | | | |
|------------------------------------|-----------------|----------------|----------------|---------------|
| Charges for Services | 155,672 | 124,000 | 144,000 | 20,000 |
| From the Use of Money and Property | 1,545 | - | - | - |
| Specific Fund Reserves | - | 6,000 | 6,000 | - |
| Total Revenues | 157,218 | 130,000 | 150,000 | 20,000 |
| General City Support | (93,019) | - | - | - |

FD212: School Communication Tower Technology Special Revenue Fund

Expenditures

| | | | | |
|---------------------------|----------|----------------|------------------|----------------|
| Technology | - | 800,000 | 1,000,000 | 200,000 |
| Total Expenditures | - | 800,000 | 1,000,000 | 200,000 |

Revenue

| | | | | |
|------------------------------------|------------------|----------------|------------------|----------------|
| From the Use of Money and Property | 647,852 | 516,000 | 628,000 | 112,000 |
| Specific Fund Reserves | - | 284,000 | 372,000 | 88,000 |
| Total Revenues | 647,852 | 800,000 | 1,000,000 | 200,000 |
| General City Support | (647,852) | - | - | - |

FD213: School Cafeterias Special Revenue Fund

Expenditures

| | | | | |
|---------------------------|-------------------|-------------------|-------------------|----------------|
| Technology | 195,212 | 327,856 | 346,915 | 19,059 |
| Food Services | 35,671,275 | 47,372,363 | 48,317,782 | 945,419 |
| Total Expenditures | 35,866,487 | 47,700,219 | 48,664,697 | 964,478 |

Revenue

| | | | | |
|-------------------------------------|--------------------|-------------------|-------------------|----------------|
| Charges for Services | 8,569,073 | 13,050,890 | 13,850,890 | 800,000 |
| Miscellaneous Revenue | 794,588 | 650,000 | - | (650,000) |
| From the Use of Money and Property | 253,620 | 75,000 | - | (75,000) |
| Revenue from the Commonwealth | 1,002,667 | 605,000 | 655,000 | 50,000 |
| Revenue from the Federal Government | 26,791,956 | 26,417,376 | 29,468,034 | 3,050,658 |
| Specific Fund Reserves | - | 6,901,953 | 4,690,773 | (2,211,180) |
| Total Revenues | 37,411,904 | 47,700,219 | 48,664,697 | 964,478 |
| General City Support | (1,545,417) | - | - | - |

FD214: School Grants Special Revenue Fund

Expenditures

| | | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| Instruction | 71,037,125 | 97,337,023 | 108,257,668 | 10,920,645 |
| Administration, Attendance, and Health | 3,093,943 | 2,617,406 | 3,129,033 | 511,627 |
| Pupil Transportation | 3,199,249 | 1,476,985 | 584,546 | (892,439) |
| Operations and Maintenance | 13,261,728 | 24,236,187 | 11,670,528 | (12,565,659) |
| Technology | 11,525,807 | 15,990,389 | 12,005,127 | (3,985,262) |
| Food Services | 2,764,815 | 753,550 | - | (753,550) |
| Total Expenditures | 104,882,667 | 142,411,540 | 135,646,902 | (6,764,638) |

Revenue

| | | | | |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Miscellaneous Revenue | 290,158 | 2,817,629 | 14,996,630 | 12,179,001 |
| Revenue from the Commonwealth | 12,991,741 | 29,694,877 | 40,460,106 | 10,765,229 |
| Revenue from the Federal Government | 87,365,262 | 104,809,621 | 74,353,180 | (30,456,441) |
| Transfer In | 5,140,987 | 5,089,413 | 5,836,986 | 747,573 |
| Total Revenues | 105,788,148 | 142,411,540 | 135,646,902 | (6,764,638) |
| General City Support | 905,481 | - | - | - |

FD215: School Textbooks Special Revenue Fund**Expenditures**

| | | | | |
|----------------------------|------------------|------------------|------------------|------------------|
| Instruction | 930,924 | 5,546,333 | 8,308,133 | 2,761,800 |
| Operations and Maintenance | 35,595 | 36,790 | 40,548 | 3,758 |
| Technology | 4,715,289 | 1,017,615 | - | (1,017,615) |
| Total Expenditures | 5,681,809 | 6,600,738 | 8,348,681 | 1,747,943 |

Revenue

| | | | | |
|------------------------------------|------------------|------------------|------------------|------------------|
| Miscellaneous Revenue | 6,337 | 27,000 | 60,225 | 33,225 |
| From the Use of Money and Property | 60,311 | 29,483 | - | (29,483) |
| Revenue from the Commonwealth | 4,986,359 | 4,972,218 | 5,881,957 | 909,739 |
| Specific Fund Reserves | - | 1,572,037 | 2,406,499 | 834,462 |
| Total Revenues | 5,053,008 | 6,600,738 | 8,348,681 | 1,747,943 |
| General City Support | 628,801 | - | - | - |

FD650: School Risk Management Internal Service Fund**Expenditures**

| | | | | |
|--|------------------|-------------------|-------------------|---|
| Administration, Attendance, and Health | 7,747,183 | 15,247,955 | 15,247,955 | - |
| Technology | 12,121 | 132,003 | 132,003 | - |
| Total Expenditures | 7,759,304 | 15,379,958 | 15,379,958 | - |

Revenue

| | | | | |
|------------------------------------|--------------------|-------------------|-------------------|---|
| Charges for Services | 8,995,919 | 8,995,919 | 8,995,919 | - |
| Miscellaneous Revenue | 2,688,897 | - | - | - |
| From the Use of Money and Property | 241,199 | - | - | - |
| Specific Fund Reserves | - | 6,384,039 | 6,384,039 | - |
| Transfer In | 2,000,000 | - | - | - |
| Total Revenues | 13,926,014 | 15,379,958 | 15,379,958 | - |
| General City Support | (6,166,710) | - | - | - |

FD651: School Flexible Benefits Forfeiture Internal Service Fund**Expenditures**

| | | | | |
|--|----------|----------------|----------------|------------------|
| Administration, Attendance, and Health | - | 206,000 | 100,000 | (106,000) |
| Total Expenditures | - | 206,000 | 100,000 | (106,000) |

Revenue

| | | | | |
|------------------------------------|------------------|----------------|----------------|------------------|
| Charges for Services | 624,987 | - | - | - |
| From the Use of Money and Property | 17,620 | - | - | - |
| Specific Fund Reserves | - | 206,000 | 100,000 | (106,000) |
| Total Revenues | 642,607 | 206,000 | 100,000 | (106,000) |
| General City Support | (642,607) | - | - | - |

FD652: School Health Insurance Internal Service Fund

Expenditures

| | | | | |
|--|--------------------|--------------------|--------------------|------------------|
| Administration, Attendance, and Health | 155,124,714 | 196,510,293 | 200,819,074 | 4,308,781 |
| Total Expenditures | 155,124,714 | 196,510,293 | 200,819,074 | 4,308,781 |

Revenue

| | | | | |
|-----------------------------|--------------------|--------------------|--------------------|------------------|
| Charges for Services | 154,691,212 | 176,510,293 | 180,819,074 | 4,308,781 |
| Specific Fund Reserves | - | 20,000,000 | 20,000,000 | - |
| Total Revenues | 154,691,212 | 196,510,293 | 200,819,074 | - |
| General City Support | (433,502) | - | 0 | 4,308,781 |

| | FY23 Actual | FY24 Amended | FY25 Adopted | Variance from FY 2024 |
|--|------------------------|-------------------------|-------------------------|----------------------------------|
| FD115: School Operating Fund | | | | |
| Position Summary | 9,521.23 | 9,508.63 | 9,451.63 | (57.00) |
| School Operating Fund Positions | 9,521.23 | 9,508.63 | 9,451.63 | (57.00) |

FD201: Green Run Collegiate Charter School Operating Fund

| | | | | |
|---|-------|-------|-------|------|
| Position Summary | 40.50 | 40.90 | 41.00 | 0.10 |
| Green Run Collegiate Charter School Operating Fund Positions | 40.50 | 40.90 | 41.00 | 0.10 |

FD213: School Cafeterias Special Revenue Fund

| | | | | |
|---|--------|--------|--------|-------|
| Position Summary | 529.62 | 564.62 | 589.62 | 25.00 |
| School Cafeterias Special Revenue Fund Positions | 529.62 | 564.62 | 589.62 | 25.00 |

FD214: School Grants Special Revenue Fund

| | | | | |
|---|--------|--------|--------|--------|
| Position Summary | 552.00 | 549.00 | 544.50 | (4.50) |
| School Grants Special Revenue Fund Positions | 552.00 | 549.00 | 544.50 | (4.50) |

FD215: School Textbooks Special Revenue Fund

| | | | | |
|--|------|------|------|------|
| Position Summary | 1.50 | 1.50 | 1.50 | 0.00 |
| School Textbooks Special Revenue Fund Positions | 1.50 | 1.50 | 1.50 | 0.00 |

FD650: School Risk Management Internal Service Fund

| | | | | |
|--|------|------|------|------|
| School Risk Management Internal Service Fund Position Summary | 5.00 | 5.00 | 5.00 | 0.00 |
| School Risk Management Internal Service Fund Positions | 5.00 | 5.00 | 5.00 | 0.00 |

FD652: School Health Insurance Internal Service Fund

| | | | | |
|--|------------------|------------------|------------------|----------------|
| Position Summary | 8.50 | 8.50 | 8.50 | 0.00 |
| School Health Insurance Internal Service Fund Positions | 8.50 | 8.50 | 8.50 | 0.00 |
| Total Positions | 10,658.35 | 10,678.15 | 10,641.75 | (36.40) |

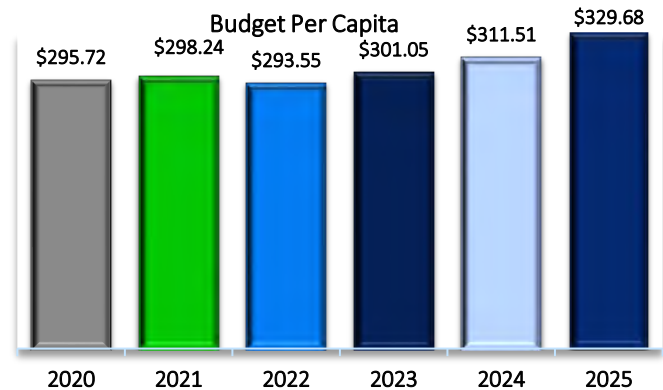
PUBLIC UTILITIES



The mission of the Department of Public Utilities is to provide safe and reliable water and wastewater services to our community through valued employees, innovation, and quality work. The goals for the department include: 1) invest in attracting, developing, and retaining an empowered and well-trained team; 2) promote trust within our community through our outreach and educational programs, ensuring that our customers understand the essential services we provide; 3) innovate by continually improving and making data-driven decisions; 4) invest responsibly to ensure that our infrastructure is reliable and resilient to meet our current and future needs; 5) responsible for our entrusted water resources, and protect public health and the environment; 6) meet the operating and capital investment needs of our organization while assuring long-term affordability for 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 receives potable water from Norfolk’s Moore’s Bridges Water Treatment Facility and delivers it to customers. The system also provides adequate capacity for fire protection. The sanitary sewer system collects and conveys wastewater from individual properties to the Hampton Roads Sanitation District for sewer treatment and disposal.



Public Utilities operates as an enterprise fund supported primarily by monthly charges for both water and sanitary sewer services. In addition, the department assesses capital recovery fees for new connections to the system. Together, these charges provide the necessary revenue to fund departmental operations and maintenance and the capital improvement program. In turn, these investments provide our customers with safe and reliable water and sanitary sewer 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 the stormwater and solid waste collection fees billed on behalf of the Department of 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; compliance with the EPA’s revised Lead and Copper Rule; assessment of the city’s water supply needs; operation and maintenance of the Lake Gaston and Stumpy Lake supply projects; and provision of engineering expertise in other areas such as water quality, groundwater monitoring, and regional water and sanitary sewer issues.

Operations and Maintenance

Includes provision of continuous 24-hour-per-day water and sanitary sewer collection services to support customer needs. This includes the monitoring, repair, and maintenance of key infrastructure, including: eight treated and two raw water pump stations, 11 water storage tanks, 414 sanitary sewer pump stations, 8,798 public fire hydrants, and 3,000 miles of water and sewer mains. The department also is responsible for the protection of the utility systems and required markings of utility assets in accordance with the Underground Utility Damage Prevention Act; compliance with the Safe Drinking Water Act by collecting and analyzing various water samples on a monthly, quarterly, semi-annual, and annual basis; and flushing water distribution lines to optimize water quality.

Business Operations

Includes management of the department’s customer call center that answers calls and web service requests about water, sewer, stormwater and waste collection services and billing; customer transactions for 135,332 accounts (i.e. account initiation, billings, payment arrangements, revenue collection); sending monthly paper and electronic bill statements and delinquent notices for water, sewer, stormwater and waste collection services; annual billed revenues exceeding \$200 million for four services; completing field service orders to initiate and discontinue water service; ensures the fiscal integrity 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 (FOG) Program, and backflow prevention.

Technical Services

Includes oversight and coordination of all technical resources and application support needs within Public Utilities. This 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 table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|-----------|-----------|-----------|----------------|-----------------|
| Number of sewer stoppages | 1,799 | 1,670 | 1,915 | 1,800 | 1,800 |
| Number of sewer overflows | 1 | 2 | 2 | 2 | 2 |
| Number of Fats, Oils, and Grease (FOG) program inspections | 765 | 1,136 | 1,323 | 1,200 | 1,200 |
| Number of fire hydrants serviced* | 78 | 39 | 436 | 400 | 400 |
| Water meter reading error rate per 1,000 readings** | 2.51 | 2.23 | 1.84 | 2 | 2 |
| Number of water meter readings*** | 1,558,902 | 1,077,145 | 1,062,128 | 1,065,000 | 1,065,000 |
| Number of water meters replaced**** | 7,552 | 5,417 | 5,297 | 5,000 | 5,000 |

*Due to staffing shortages beginning during COVID-19, the department had to defer maintenance work to staff emergency repair/response work.

**The meter reading contractor is allowed 1.3 per 1000 error reads before incurring a penalty.

***The number of water meter readings completed has declined because the meter reading contractor is backlogged due to staffing. Public Utilities estimates some readings to assist with realigning the read cycle to the targeted range of 28-32 days per bill period for customers.

****Due to economic conditions and supply chain challenges, meters are on backorder. This is impacting the aged meter replacement program and the focus has been on replacing non-functioning meters exclusively.

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Overall quality of sanitary sewer services | 77.1% | 58.8% | 54.8% |
| Overall quality of tap water | 76.1% | 62.9% | 60.2% |
| Confidence and trust that tap water is safe | 75.1% | N/A | N/A |

Trends and Issues

→ **Economic Trends**

As an enterprise operation, the Water and Sewer Fund must align operating expenses to meet anticipated revenues. The estimated revenue increase in the department’s FY 2024-25 budget is driven primarily by an increase in the sale of water and service charges related to the approved 5-year water and sewer rate adjustment program. FY 2024-25 is the second year of the five-year program approved in the adopted FY 2023-24 budget.

Several underlying trends are expected to continue to have downward pressure on revenue, including (a) consumers are using less water due to higher efficiency appliances and smaller households, (b) a national trend to reduce individual consumption and increased focus on conservation, and (c) the growth in new accounts is minimal. The approved rate increases are necessary to maintain current levels of service in addition to meeting regulatory requirements and mandates imposed by the state and federal governments for service provision, public health and safety, and infrastructure upgrades and replacement.





→ **Cost of Services**

The department experienced several significant expenditure increases reflected in the department’s FY 2024-25 budget, including (a) an increase in the cost of the Water Services Contract and Water Sales Agreement with the City of Norfolk of \$5.0 million, (b) higher personnel costs of \$1.4 million to support wage increases, and (c) increase of \$1.3 million in operating and maintenance costs primarily related to the regulatory management and pump station programs.

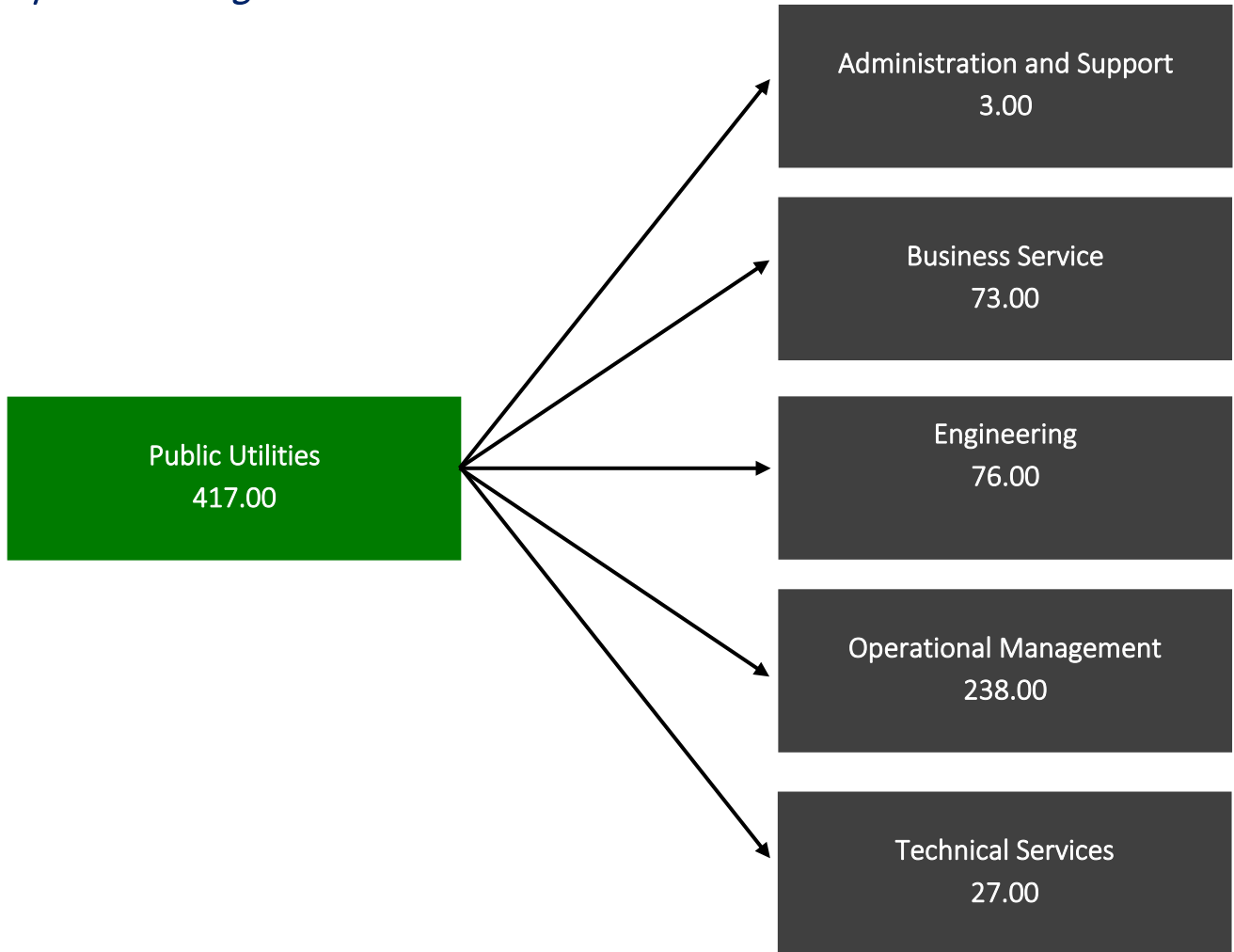
→ **EPA’s Lead and Copper Rule Revision**

The Environmental Protection Agency’s (EPA) Lead and Copper Rule was established in 1991 to protect communities from the risks of lead exposure. The rule was revised in December 2020 to better protect children at elementary schools and childcare facilities, strengthen various drinking water testing protocols, and to hasten the process of identifying and removing lead service lines. Virginia Beach’s water has always remained in full compliance with EPA standards since the start of its lead sampling program in 1992. The city meets or exceeds all drinking water quality standards because of its high-quality water sources, excellent water treatment and distribution system management, and ongoing investment in infrastructure.

Major Budget Changes

| | Change | Impact | | | | | | | | | | | | |
|---|---|--|------------|------------|------------|------------|------------|------------|-----|---------|---------|---------|---------|---------|
|  | Maintenance Worker - Conversion of Contracted Manpower 1.00 FTE \$0 | This position is in the Sewer Collection Division. This permanent position would help reduce the need for ongoing training due to turnover. Public Utilities will convert existing contracted manpower funds, resulting in a net zero increase. | | | | | | | | | | | | |
|  | Water Commodity Rate 0.0 FTE | <p>The water commodity rate is a usage rate based on water consumption. Currently, the rate is \$5.20 per one thousand gallons and was last increased in FY 2023-24 to accommodate an increase in the cost of the contract the city has with the city of Norfolk.</p> <p>The FY 2024-25 budget includes an increase to the water rate by \$0.54 and is the second of a five-year programmed rate increase.</p> <p>Five-year phased fee increase schedule:</p> <table border="1"> <thead> <tr> <th></th> <th>FY 2023-24</th> <th>FY 2024-25</th> <th>FY 2025-26</th> <th>FY 2026-27</th> <th>FY 2027-28</th> </tr> </thead> <tbody> <tr> <td>Fee</td> <td>\$5.20</td> <td>\$5.74</td> <td>\$6.23</td> <td>\$6.54</td> <td>\$6.87</td> </tr> </tbody> </table> | | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Fee | \$5.20 | \$5.74 | \$6.23 | \$6.54 | \$6.87 |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | | | | | | | | | |
| Fee | \$5.20 | \$5.74 | \$6.23 | \$6.54 | \$6.87 | | | | | | | | | |
|  | Sanitary Sewer Charge 0.0 FTE | <p>The sanitary sewer charge is a fixed monthly charge based on property type. Currently, the rate is \$31.58 for a single-family residence and was last increased in FY 2023-24.</p> <p>The FY 2024-25 budget includes an increase to the sewer charge by \$0.79 and is the second of a three-year programmed rate increase.</p> <table border="1"> <thead> <tr> <th></th> <th>FY 2023-24</th> <th>FY 2024-25</th> <th>FY 2025-26</th> <th>FY 2026-27</th> <th>FY 2027-28</th> </tr> </thead> <tbody> <tr> <td>Fee</td> <td>\$31.58</td> <td>\$32.37</td> <td>\$33.18</td> <td>\$33.18</td> <td>\$33.18</td> </tr> </tbody> </table> | | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Fee | \$31.58 | \$32.37 | \$33.18 | \$33.18 | \$33.18 |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | | | | | | | | | |
| Fee | \$31.58 | \$32.37 | \$33.18 | \$33.18 | \$33.18 | | | | | | | | | |
|  | Increase Water Service Availability Charge 0.0 FTE | <p>The water service availability charge is a fixed monthly charge based on the water meter size. Currently, the rate is \$5.00 for a standard 5/8-inch residential water meter and was last increased in FY 2023-24.</p> <p>The FY 2024-25 budget includes an increase to the water service availability charge by \$0.53 and is the second of a five-year programmed rate increase.</p> <table border="1"> <thead> <tr> <th></th> <th>FY 2023-24</th> <th>FY 2024-25</th> <th>FY 2025-26</th> <th>FY 2026-27</th> <th>FY 2027-28</th> </tr> </thead> <tbody> <tr> <td>Fee</td> <td>\$5.00</td> <td>\$5.53</td> <td>\$6.00</td> <td>\$6.30</td> <td>\$6.61</td> </tr> </tbody> </table> | | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Fee | \$5.00 | \$5.53 | \$6.00 | \$6.30 | \$6.61 |
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | | | | | | | | | |
| Fee | \$5.00 | \$5.53 | \$6.00 | \$6.30 | \$6.61 | | | | | | | | | |

Department Organization Chart



City Of Virginia Beach, Virginia
Public Utilities - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| <u>Program Summary</u> | | | | |
| <u>FD510: Water And Sewer Enterprise Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Retiree Health Insurance | 326,263 | 325,000 | 325,000 | - |
| Sewer Collection | 6,547,086 | 6,778,144 | 6,985,883 | 207,740 |
| Water Distribution | 5,211,921 | 5,765,636 | 5,528,828 | (236,808) |
| Meter Operations | 4,901,359 | 5,584,703 | 5,772,841 | 188,138 |
| Customer Service | 8,188,699 | 10,542,861 | 10,526,020 | (16,842) |
| Pump Stations | 8,311,199 | 9,395,463 | 9,796,055 | 400,592 |
| Regulatory Management Operations and Maintenance | 2,792,536 | 6,290,000 | 6,836,400 | 546,400 |
| Lake Gaston Program | 2,492,697 | 3,203,050 | 3,184,700 | (18,350) |
| Water Services | 5,322,350 | 5,397,798 | 5,918,586 | 520,788 |
| Business Center | 633,810 | - | - | - |
| Building Maintenance | 127,433 | 152,500 | 152,500 | - |
| Electrical Support | 1,874,037 | 2,849,220 | 2,798,314 | (50,906) |
| Technology and Support | - | - | - | - |
| Water Assistance | 242,813 | 250,000 | 250,000 | - |
| Water Services Contract | 27,275,578 | 26,869,534 | 31,333,355 | 4,463,821 |
| Right-of-Way | 4,000,000 | 4,000,000 | 4,000,000 | - |
| Direct Costs | 141,396 | 141,396 | 141,396 | - |
| Indirect Costs | 4,047,475 | 4,047,475 | 3,003,539 | (1,043,936) |
| Office Rent | 127,660 | 127,660 | 127,660 | - |
| Landscape Services | 481,553 | 540,975 | 742,132 | 201,157 |
| Treasurer Support | 342,125 | 362,985 | 498,325 | 135,340 |
| Occupational Health | 29,800 | 50,000 | 50,000 | - |
| Development Services Center | 374,978 | 391,089 | 392,095 | 1,006 |
| Administration | 18,140,897 | 18,553,899 | 18,808,929 | 255,031 |
| Water Utility General Government Capital Project (GGCP) | 1,961,660 | 3,650,465 | 2,400,000 | (1,250,465) |
| Sewer Utility General Government Capital Project (GGCP) | 3,579,271 | 5,199,535 | 5,600,000 | 400,465 |
| General Operating Expenses | 27,000,019 | 20,830,866 | 24,371,105 | 3,540,239 |
| Total Expenditures | 134,474,617 | 141,300,253 | 149,543,663 | 8,243,410 |
| <u>Revenue</u> | | | | |
| Charges for Services | 128,709,952 | 135,311,910 | 142,159,775 | 6,847,865 |

**City Of Virginia Beach, Virginia
Public Utilities - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|------------------------------|-------------------------------|--------------------------------|----------------------------------|
| Permits, Fees, and Regulatory Licenses | 3,179 | 6,205 | 5,430 | (775) |
| Miscellaneous Revenue | 303,572 | 130,917 | 201,471 | 70,554 |
| From the Use of Money and Property | 3,220,853 | 442,222 | 2,051,445 | 1,609,223 |
| Other Financing Sources | 3,730,679 | 3,185,673 | 2,759,908 | (425,765) |
| Transfer In | 2,126,293 | 2,223,326 | 2,365,634 | 142,308 |
| Total Revenues | 138,094,528 | 141,300,253 | 149,543,663 | 8,243,410 |
| General City Support | (3,619,911) | - | - | - |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|------------------------------|-------------------------------|--------------------------------|----------------------------------|
| <u>FD510: Water And Sewer Enterprise Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Sewer Collection | 56.00 | 55.00 | 56.00 | 1.00 |
| Water Distribution | 46.00 | 45.00 | 45.00 | - |
| Meter Operations | 28.00 | 28.00 | 28.00 | - |
| Customer Service | 72.00 | 73.00 | 73.00 | - |
| Pump Stations | 58.00 | 58.00 | 58.00 | - |
| Electrical Support | 19.00 | 27.00 | 27.00 | - |
| Administration | 136.00 | 130.00 | 130.00 | - |
| Total Positions | 415.00 | 416.00 | 417.00 | 1.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

PUBLIC WORKS

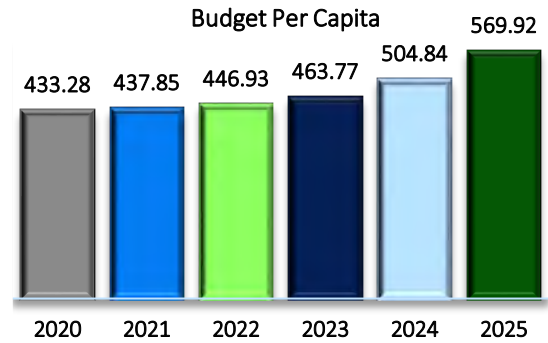


The mission of the skilled and professional people of the Department of Public Works is to provide total life cycle management of the public infrastructure and key essential services. We succeed through the proper management of programs and resources to enhance the health, safety, and welfare of the residents, businesses, and visitors of the City of Virginia Beach.

Department Overview

Public Works Business Center

The Public Works Business Center delivers centralized oversight and management of records and storage, administrative, financial, budgetary, information technology support, customer relations, human resources, administrative/data/statistical analysis, payroll, and purchasing functions. The Business Center also encompasses the Public Works Contracts Division, which provides support services for Public Works standalone and Annual Services Contracts (ASC) for construction and design, as well as processing contract changes and other related contract functions, including contract payment applications from contractors and vendors. They also assist the City's Purchasing Division with solicitations for construction and design contracts.



The increase in the FY 2024-25 budget is a result of the Parking Management Office move from Economic Development to Public Works and funding increase from VDOT.

Public Works Engineering

The Public Works Engineering Group comprises seven divisions: Coastal, Construction/Surveys/Quality Assurance and Quality Control, Engineering Support, Stormwater Engineering Center, Stormwater Management Regulatory, Traffic Engineering, and Transportation. The group provides various services, including the planning, designing, and constructing City infrastructure, comprising beach replenishments, roadways, stormwater infrastructure, sidewalks, streetscapes, and parks/recreation amenities. Additionally, the group administers the Stormwater Capital Improvement Program (CIP) and Roadways CIP and is responsible for securing and managing the City's MS4 Permit, applying for and receiving State and Federal grant funding, and ensuring roadways are safe for the motoring public.

Public Works Facilities

The Public Works Facilities Group has four divisions: Space Management and Strategic Planning, Design and Construction, Operations and Management, and Energy Management. Their scope encompasses the life cycle of City owned facilities, including strategic facility master planning, programming, and space management; professional architectural and engineering design and project management services; custodial services; maintenance, repair, and rehabilitation of facility assets by professionals of eight trades; and the monitoring of energy usage, energy efficiency and conservation efforts, and utility billing. The City's Buildings and Assets (CIP) is also under the administration of this Group.

Public Works Fleet Management

Public Works Fleet Management manages the entire life cycle of all city-owned or leased, licensed, and unlicensed motor vehicles and on/off-road equipment, including the white fleet, public safety, heavy/construction, marine or aviation equipment, and small engines/generators. The vehicle and equipment life cycle includes acquisition, maintenance, repair, replacement, and disposal. Public Works Fleet Management also manages the City's fuel resources, fuel facilities, and storage tanks; operates satellite service locations at the City's Operations facility, the City Landfill and Resource

Recovery Center, and Waste Management Collections facility; provides 24-hour wrecker/tow service and manages the Motor Pool rental fleet.

Public Works Operations Management

Public Works Operations Management is responsible for maintaining the constructed public infrastructure within the public rights-of-way. Staff receive, record, investigate, and resolve reports of deficiencies that require maintenance, repair, and restoration. The division utilizes asset management methods to determine necessary maintenance cycles, identify required engineering needs, and develop solutions to support the life cycle of the public infrastructure. The Group comprises three divisions: Stormwater Operations, Streets & Traffic Operations, and Operations Management. The Operations Group also supports numerous special events annually and works closely with Emergency Management and state and federal agencies during emergency events (response, recovery, and reimbursement).

Public Works Real Estate

Public Works Real Estate is responsible for land acquisition for all City agencies (including the City’s Base Realignment and Closure (BRAC) program and all City infrastructure improvement projects), maintaining a list of real estate properties owned by the City with the assistance of GIS, handling citizen requests for encroachments onto City property and Rights of Way, easements, unauthorized encroachments, and sale of excess City property.

Public Works Waste Management

Provides reliable and environmentally friendly solutions for managing household waste and recycling for the residents of Virginia Beach. Waste Management provides weekly residential refuse and yard debris collection, biweekly collection of recyclables, on-call collection of household bulky items and yard debris container rentals. Waste Management operates the City’s landfill and West Neck Recycling Center. Waste Management also provides education and outreach programs for its residents and serves City Council initiatives through the VB Clean Community Commission.

Public Works Parking Management

Public Works Parking Management is an Accredited Parking Organization (APO) awarded by the International Parking & Mobility Institute. Parking Management is responsible for the administration, operation, maintenance, and revenue collection for 13,300 on-street metered parking and off-street parking spaces located in municipal parking lots and garages at the Oceanfront, Croatan, Sandbridge, Little Island Park, and Town Center, as well as the Residential Parking Permit Program at the oceanfront.

Key Performance Measures

The tables below illustrate how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|---|------------|------------|------------|-------------|--------------|
| Fuel Usage - Gallons of Diesel | 1,020,447 | 1,021,702 | 977,083 | 960,617 | 950,784 |
| Fuel Usage - Gallons of Unleaded | 1,158,962 | 1,223,686 | 1,294,228 | 1,347,354 | 1,379,706 |
| Miles Driven | 14,261,423 | 16,044,780 | 16,322,653 | 16,611,027 | 17,032,714 |
| Cubic yards of debris removed during stormwater pipe cleaning | 1,290 | 1,058 | 3,081 | 3,675 | 3,868 |
| Linear feet of stormwater pipe cleaned | 118,886 | 379,144 | 601,818 | 629,054 | 792,162* |
| Linear feet of stormwater pipe inspected by CCTV | 8,444 | 45,522 | 86,911 | 47,820 | 54,026 |

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|----------------------------------|---------|---------|---------|-------------|--------------|
|----------------------------------|---------|---------|---------|-------------|--------------|

| | | | | | |
|---|---------|---------|---------|---------|---------|
| Number of landfill visits by Virginia Beach residents | 211,810 | 202,332 | 222,395 | 217,641 | 215,896 |
| Tons of bulky items collected (including tires and on demand pick-up) | 7,284 | 6,330 | 5,482 | 6,017 | 5,902 |
| Tons of household hazardous waste and recyclable materials processed by the Landfill's Resource Recovery Center | 2,280 | 1,721 | 1,695 | 1,846 | 1,772 |
| Tons of household waste collected (via weekly curbside collection) | 141,269 | 139,744 | 145,515 | 144,641 | 143,935 |
| Tons of waste deposited in the Landfill | 19,547 | 20,413 | 18,042 | 19,374 | 19,412 |
| Tons of recycling collected via bi-weekly curbside collections | 28,011 | 24,762 | 23,237 | 24,540 | 24,132 |
| Tons of recycling collected via the Landfill & RRC & West Neck Recycling Center | 423 | 369 | 563 | 542 | 531 |

*Increase is a result of the addition of vacuum trucks and staff in FY 2021-22

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| Bulky items pick-up and removal services | 72.9% | 43.8% | 47.3% |
| City waste disposal and recycling centers | 66.5% | 42.9% | 46.2% |
| Residential yard waste/leaf/brush collection services | 65.8% | 59.7% | 54.6% |
| Residential curbside recycling services | 70.7% | 65.3% | 56.6% |
| Residential trash/garbage collection services | 76.2% | 76.8% | 68.6% |
| Conditions of streets in your neighborhood | 64.9% | 55.6% | 50.6% |
| Overall conditions of major City streets | 60.1% | 60.5% | 50.9% |
| Overall conditions of City sidewalks | 51.4% | 55.2% | 48.0% |
| Adequacy of lighting on City streets | 51.4% | 63.8% | 59.5% |
| Accessibility of streets, sidewalks, and buildings for people with disabilities | 44.4% | 57.5% | 52.5% |
| Stormwater management and flood control on major City streets | 47.3% | 64.8% | 51.0% |
| Stormwater management and flood control on neighborhood streets | 35.6% | N/A | N/A |
| Overall management of public stormwater runoff/drainage/flood control | 44.2% | N/A | N/A |
| The City's overall effort to protect natural resources and the environment | 61.7% | N/A | N/A |
| Condition and maintenance of Virginia Beach beaches | 82.8% | N/A | N/A |
| Services offered at the City landfill | 70.8% | N/A | N/A |

Trends & Issues

→ Inflation & Supply Chain Disruptions

The Department of Public Works continues to experience the impacts of inflation on the cost of goods and labor and significant supply chain disruptions. These issues have affected vital projects and construction within the City and many other operations, including the cost of maintenance and repair of City infrastructure, vehicle availability and

maintenance, and fuel costs. While inflation is forecasted to lower through FY 2024-25, rates will remain above pre-pandemic levels. As identified in the previous years, these challenges have, at times, disrupted the competitive bidding process due to a lack of source materials, magnified bids for construction services, prompted a re-prioritization of project funding, and yielded delays or potential non-completion of projects.

→ **Recruitment & Retention**

As anticipated, the Department of Public Works continues to face recruitment and retention challenges. Various factors play into these challenges, including salaries (lagging behind the private sector), skill and talent shortages, transfers to other City departments or other municipalities due to position classifications or opportunities, and retirements. This challenge is not limited to professional positions in the Engineering and Real Estate Groups. The Public Works divisional areas of Facilities' Building Maintenance trades, Fleet Management maintenance, and Operations and Waste Management staff collectively have experienced many challenges. The Flood Protection Program highlights this challenge in a new way due to the City's commitment regarding projects and schedules associated with the \$567.5 million Referendum. The continued understaffing and inability to fill vacancies increases the workload for existing employees, delays facility and infrastructure maintenance, and requires a heavier reliance on contract and temporary workforces, which affect employee morale, efficiency, quality of work, and additional cost to deliver projects.

→ **Stormwater Equivalent Residential Unit (ERU) Rate Freeze**

The Stormwater Enterprise Fund is supported mainly by the ERU which provides maintenance and operation of existing infrastructure like pump stations, ditches, lakes, and stormwater pipes. The ERU is a daily rate of \$0.493 per household. In FY 2021-22 upon approval of the Flood Protection Bond Referendum, the ERU rate was frozen until FY 2028-29. A dedication of the real estate tax was established to support the flood protection program debt service while the ERU rate was to remain in place to support maintenance efforts. The revenue generated from the frozen ERU fee may not be sufficient to maintain service levels. FY 2024-25 revenues are anticipated to cover operational needs in FY 2024-25; however, future expenditures are projected to outpace revenue as inflationary pressures and enhanced payroll needs associated with the implementation of the step plan were not forecasted in pre-referendum projects.

For this reason, the current rate freeze may need to be revisited as a policy decision before FY 2028-29. The dedication of general government support to the stormwater flood protection projects allows the ERU-backed CIP to focus more on operations and maintenance-type projects. The CIP fund will still have to program revenue but at a different level than before. Without a rate increase, this fund will have minimal year-over-year revenue growth, as there is limited new development each fiscal year, and much of the new development is offset by increased enrollment in the credit program. In addition to the referendum, the Stormwater CIP saw an influx of funding from the *American Rescue Plan*. City Council appropriated \$44 million to maintenance projects to alleviate the backlog of work, specifically in lake dredging and neighborhood rehabilitation. Despite this investment, the CIP will continue to invest similar resources annually to these programs to enhance overall maintenance efforts across the City to alleviate recurrent flooding, even in neighborhoods not included in the first phase of the referendum.

To anticipate future revenue needs based on rising expenses for the fund and to prevent spending fund reserves in the future, the Department of Public Works obtained consulting services to conduct a Stormwater Financial Feasibility Study and Stormwater Cost of Service Study in 2024, which is currently underway. The study is expected to provide much-needed information and a detailed forecast of recommended rate increases to adequately address the needs of the fund beyond FY 2028-29 when the ERU fee will be unfrozen.

→ **Waste Management Enterprise Fund & Monthly Fee Rate**

The City's Waste Management Group continues to provide high-quality collection, disposal, and recycling services to the citizens of Virginia Beach at competitive costs. The sustainability of the enterprise fund (the financial

management plan to provide the funding for operational and capital expenditures and to maintain adequate operating reserves) is critical. The monthly fee collected from residents who receive curbside services supports weekly curbside collection of residential garbage and yard debris, every other week curbside collection of recyclables, on-call collection of bulky items, rental of yard debris containers, administration of the household hazardous waste collection program; Landfill and Resource Recovery Center Operations, and two recycling drop-off centers. Disposal of curbside residential garbage at the Southeastern Public Service Authority (SPSA) requires payment of a tipping fee, which has increased and is likely to continue rising over the next several years as SPSA makes safety improvements and plans for proposed regional landfill expansion. The Waste Management Enterprise Fund has been able to absorb tipping fee increases in previous years but needs to identify a sustainable method for funding, either by increasing the fee or reducing services. In FY2023-24, a \$2.50 monthly fee increase was approved, the first increase since FY 2019-20 and critical to maintaining current service levels. The rate adjustment permitted waste collection to maintain existing services; however, this rate increase is not likely to support future cost increases related to recycling services or future SPSA increases. A prospective policy decision will be necessary to ensure the sustainability and financing of these operations in future budgets.

The main challenge for the Waste Management Enterprise Fund in FY 2024-25 is the expiration of the current contract for recycling services. The cost for those services was anticipated to double leading to significant impact to the Waste Management fee. As a result, the City conducted a survey in October 2023 asking residents to provide feedback on the future of recycling in Virginia Beach. Majority of residents who responded stated that they would support an increased fee to keep the same recycling services. The FY 2024-25 budget includes an increase of \$3.05 in the Waste Management Monthly Collection fee to accommodate a new contract for recycling services. The monthly fee will increase from \$27.50 to \$30.55 per month per residence.

→ **Technology Implementations & Improvements**

The level of budgeted funding and staffing resources that directly support the identification and implementation of data of technology-related solutions will continue to be a trend within Public Works as needs for technology-driven solutions and data-informed decision-making are identified and requirements for data, automation, and transparency grow. Technology implementation and staffing limit the capacity to utilize data captured by technology and analyze it for various audiences and needs. Data and technology efforts also tie into efforts to document policy, procedure, and standards in support of standardization, equity, and continued accreditation with the American Public Works Association.

In addition to the Director's Office and Business Center, Public Works has seven distinct groups, each with unique data and technology needs. Longstanding technology needs to provide staff with the necessary and appropriate tools to perform essential job functions, which continue to be addressed while exploring and implementing modern solutions. Both efforts require time, funding, support, training, and documentation and have been identified as high-priority initiatives so that Public Works can fulfill the needs and requests of City Leadership and residents, allow for efficiency and the pursuit of continuous improvement, provide accurate and reliable data to inform decision making; demonstrate operational accomplishments and fiscal responsibility as stewards of taxpayer money; and support the City's Mission, Vision, and Values.

→ **Special Event Planning**

As the economy recovers and rebounds from the pandemic, there is optimism that the tourism and hospitality industry in Virginia Beach will also recover to pre-pandemic levels. An encouraging sign is the return of many special events and the addition of new events. Public Works supports these activities in various ways by utilizing existing staff and resources whose primary job is maintaining the existing City infrastructure. However, this strategy may not be sustainable based on the growing needs of the City's existing aging infrastructure and high level of expectations associated with supporting special events and schedules.

→ Major Initiatives

The breadth of focus within the Department of Public Works is vast and involves significant initiatives across all aspects of the City. The Department strives to be agile and flexible when reacting to changing priorities, which can be challenging given the long-term planning and funding involved in many of these initiatives and projects.

Major Budget Changes - General Fund

| | Change | Impact |
|---|---|---|
| ↑ | VDOT Increased Funding 16.0 FTE \$9.1 million | <p>Funding from the Virginia Department of Transportation (VDOT) has increased significantly in the last several years. As a result, Public Works has been under increased demand for additional maintenance and investment in roads, which requires additional equipment and staff to manage these demands and requirements. To meet increased expectations, the Department of Public Works budget includes 16 additional FTEs, various road maintenance equipment and operating expenses, as well as \$3 million pay-go transfer to several Roadways CIP projects. The following positions and ongoing costs have been included in the FY 2024-25 Operating Budget:</p> <ul style="list-style-type: none"> • Construction Inspector Supervisor – 1 FTE - \$84,358 – this position will provide oversight and guidance to the construction inspection group which has grown from six to 11 inspectors in the recent years. This group inspects projects related to roads, bridges, ditches, and stormwater infrastructure. • Engineer III & Engineer IV - 2 FTE - \$200,405 - the two Engineer positions will provide additional administrative controls to the Street Maintenance division of 58 positions to handle project management duties required to make operations more efficient. • Safety Program Specialist – 1 FTE - \$84,358 - this position will be expected to improve all the safety programs, including training, inspections, and managing the new CDL Program, including licensing CDL operators. • Storekeeper I – 1 FTE - \$46,133 – the Storekeeper position will improve the productivity of increased material orders and other procurement requirements. This position will ensure the availability of supplies and materials for projects in a timely manner. • Traffic Signs and Markings Aide, Traffic Signs and Markings Mechanics – 9 FTE - \$450,408 – these positions will provide additional assistance for maintaining pavement markings and traffic signs to improve traffic safety throughout the City. • Traffic Signal Electronic Technician – 2 FTE - \$135,279 – the two Technician positions will provide additional support for digital speed limit signs, audible pedestrian signs, and permanent Dynamic Message signs to improve traffic safety. <p>In addition, one-time costs have been included to purchase necessary traffic equipment and vehicles.</p> |

Major Budget Changes Waste Management – Enterprise Fund

| | Change | Impact |
|---|--|---|
| ↑ | <p>Waste Management Monthly Collection Fee</p> <p>0.0 FTE</p> <p>\$4,575,000</p> | <p>The Public Works contract with TFC Recycling expires at the end of FY 2023-24. Due to changes in the global commodities market, recycling costs are expected to increase significantly. The City used the end of the contract as an opportunity to hear from residents. As a result, the City conducted a survey in October 2023 asking residents to provide feedback on the future of recycling in Virginia Beach. Majority of residents who responded stated that they would support an increased fee to keep the same recycling services.</p> <p>The FY 2024-25 budget includes an increase of \$3.05 in the Waste Management Monthly Collection fee to accommodate a new contract for recycling services. The monthly fee will increase from \$27.50 to \$30.55 per month per residence.</p> |

Major Budget Changes Parking Management – Enterprise Fund

| | Change | Impact |
|---|---|---|
| ↑ | <p>Parking Management Reorganization</p> <p>7.00 FTE</p> <p>\$6,970,302</p> | <p>The Parking Management, which consists of seven employees, will transfer from Economic Development to the Public Works Department in FY 2024-25. This reorganization will allow Public Works Facilities team to aid in the management and maintenance of parking facilities.</p> |

Major Budget Changes Sandbridge Special Service District

| | Change | Impact |
|---|--|---|
| ↑ | <p>Maintenance Supervisor</p> <p>1.00 FTE</p> <p>\$185,573</p> | <p>The FY 2024-25 Budget includes one Maintenance Supervisor position and associated expenses in response to Beach Operations’ growing areas of responsibility and increasing demands for service at Sandbridge Beach. The ongoing cost for this positions is \$70,665.</p> |

Department Organization Chart



City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| <u>Program Summary</u> | | | | |
| <u>FD100: General Fund</u> | | | | |
| <u>Expenditures</u> | | | | |
| Surveys | 1,440,108 | 1,512,007 | 1,571,657 | 59,650 |
| Stormwater Engineering Center | 3,351,405 | 4,686,475 | 4,942,408 | 255,933 |
| Transportation Program and Project Management | 1,620,414 | 1,704,719 | 1,751,463 | 46,744 |
| Management Services | 1,997,377 | 2,449,735 | 2,365,063 | (84,672) |
| Coastal Program and Project Management | 626,081 | 898,917 | 920,096 | 21,179 |
| Facilities Design and Construction | 788,464 | 914,637 | 1,369,424 | 454,787 |
| Street Lights | (103,377) | 510,000 | 510,000 | - |
| Contracts | 516,137 | 765,271 | 718,289 | (46,982) |
| Business Center | 8,118,725 | 9,198,728 | 8,969,127 | (229,601) |
| Juvenile and Domestic Relations | - | - | - | - |
| Energy Management | 245,882 | 273,223 | 280,220 | 6,997 |
| Building Maintenance | 9,488,680 | 9,515,546 | 11,023,882 | 1,508,336 |
| Environmental Management | 204,812 | 341,649 | 324,976 | (16,673) |
| Program Support | 2,991,564 | 3,484,116 | 3,725,409 | 241,293 |
| Street Maintenance | 17,573,264 | 20,128,968 | 22,119,720 | 1,990,752 |
| Dredge Maintenance | 1,809,717 | 2,226,350 | 2,709,441 | 483,091 |
| Mosquito Control | 2,225,719 | 2,725,666 | 2,841,936 | 116,270 |
| Traffic Management | 8,972,900 | 10,008,091 | 11,118,116 | 1,110,025 |
| Bridge Maintenance | 566,620 | 770,959 | 804,829 | 33,870 |
| Beach Operations | 535,875 | 462,100 | 540,245 | 78,145 |
| Waste Disposal | - | - | - | - |
| Electrical Support | 1,914,597 | 2,276,801 | 2,237,822 | (38,979) |
| Infrastructure Support | 790,485 | 992,094 | 1,161,681 | 169,587 |
| General Maintenance | 4,110,812 | 4,075,847 | 4,099,293 | 23,446 |
| Custodial Services | 4,794,596 | 5,062,541 | 5,249,589 | 187,048 |
| Resort Building Maintenance | 424,808 | 542,093 | 563,096 | 21,003 |
| Recreation Centers | 752 | - | - | - |
| Inspections | 3,210 | - | - | - |
| Street Sweeping | 640,208 | 2,994,753 | 3,058,342 | 63,589 |
| Engineering | 2,031,326 | 2,599,511 | 2,803,536 | 204,025 |
| Surface Water Compliance | 2,132,678 | 2,766,700 | 2,846,370 | 79,670 |
| Planning and Space Management | 1,566,834 | 1,829,845 | 286,697 | (1,543,148) |
| Heat and Air Conditioning Support | 2,362,647 | 2,521,403 | 2,485,883 | (35,520) |
| Technology and Support | 1,819,583 | 2,471,575 | 2,550,513 | 78,938 |
| Operations | 2,475,101 | 3,563,536 | 3,749,279 | 185,743 |
| General Operating Expenses | 1,019,768 | 2,573,849 | 1,978,103 | (595,746) |
| Total Expenditures | 89,057,773 | 106,847,705 | 111,676,505 | 4,828,800 |
| <u>Revenue</u> | | | | |
| Charges for Services | 61,116 | 512,040 | 512,040 | - |
| Permits, Fees, and Regulatory Licenses | 11,750 | 10,000 | 10,000 | - |

City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Miscellaneous Revenue | 5,606 | 202,000 | 202,000 | - |
| Revenue from the Commonwealth | 54,484,858 | 60,060,178 | 55,895,167 | (4,165,011) |
| Transfer In | 2,539,954 | 2,565,021 | 2,565,021 | - |
| Total Revenues | 57,103,284 | 63,349,239 | 59,184,228 | (4,165,011) |
| General City Support | 31,954,488 | 43,498,466 | 52,492,277 | 8,993,811 |

FD224: Parks And Recreation Special Revenue Fund

Expenditures

| | | | | |
|-----------------------------------|------------------|------------------|------------------|---------------|
| General Maintenance | - | - | - | - |
| Custodial Services | (1,926) | - | - | - |
| Recreation Centers | 3,513,075 | 4,086,011 | 4,097,986 | 11,975 |
| Heat and Air Conditioning Support | - | - | - | - |
| General Operating Expenses | - | - | 9,893 | 9,893 |
| Total Expenditures | 3,511,149 | 4,086,011 | 4,107,879 | 21,868 |

Revenue

| | | | | |
|-----------------------------|------------------|------------------|------------------|---------------|
| Real Estate | - | - | - | - |
| Total Revenues | - | - | - | - |
| General City Support | 3,511,149 | 4,086,011 | 4,107,879 | 21,868 |

FD241: Tourism Investment Program Special Revenue Fund

Expenditures

| | | | | |
|-----------------------------|------------------|------------------|------------------|----------------|
| Building Maintenance | - | - | - | - |
| Recycling | 20,083 | 105,060 | 105,060 | - |
| Program Support | - | - | - | - |
| Beach Operations | 2,739,951 | 3,332,704 | 3,197,685 | (135,019) |
| Resort Building Maintenance | 698,197 | 1,326,383 | 1,556,798 | 230,415 |
| Administration | 99 | - | - | - |
| General Operating Expenses | - | - | 78,205 | 78,205 |
| Total Expenditures | 3,458,331 | 4,764,147 | 4,937,748 | 173,601 |

Revenue

| | | | | |
|-----------------------------|------------------|------------------|------------------|----------------|
| Hotel Room Tax | - | - | - | - |
| Restaurant Meal Tax | - | - | - | - |
| Total Revenues | - | - | - | - |
| General City Support | 3,458,331 | 4,764,147 | 4,937,748 | 173,601 |

FD252: Sandbridge Special Service District Fund

Expenditures

| | | | | |
|----------------------------|----------------|----------------|----------------|----------------|
| Beach Operations | 320,108 | 720,259 | 901,369 | 181,110 |
| General Operating Expenses | - | - | 15,494 | 15,494 |
| Total Expenditures | 320,108 | 720,259 | 916,863 | 196,604 |

Revenue

| | | | | |
|----------------|---|---|---|---|
| Hotel Room Tax | - | - | - | - |
|----------------|---|---|---|---|

City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Real Estate | - | - | - | - |
| Total Revenues | - | - | - | - |
| General City Support | 320,108 | 720,259 | 916,863 | 196,604 |

FD270: Consolidated Grants Special Revenue Fund

Expenditures

| | | | | |
|----------------------------|---------------|---------------|---------------|----------|
| General Operating Expenses | 19,850 | 20,000 | 20,000 | - |
| Total Expenditures | 19,850 | 20,000 | 20,000 | - |

Revenue

| | | | | |
|-------------------------------------|---------------|---------------|---------------|----------|
| Revenue from the Federal Government | 19,850 | 20,000 | 20,000 | - |
| Total Revenues | 19,850 | 20,000 | 20,000 | - |
| General City Support | - | - | - | - |

FD520: Storm Water Utility Enterprise Fund

Expenditures

| | | | | |
|--|-------------------|-------------------|-------------------|------------------|
| Retiree Health Insurance | 76,882 | 73,333 | 73,333 | - |
| Stormwater Engineering Center | - | - | - | - |
| Mosquito Control | - | - | - | - |
| Traffic Management | 5,911 | - | - | - |
| Inspections | 1,515,668 | 1,574,924 | 1,630,476 | 55,552 |
| Engineering | 613 | - | - | - |
| Technology and Support | 53,691 | 53,691 | - | (53,691) |
| Direct Costs | 53,691 | 53,691 | 53,691 | - |
| Indirect Costs | 1,499,728 | 1,499,728 | 1,280,394 | (219,334) |
| Landscape Services | 115,760 | 115,760 | 116,342 | 582 |
| Occupational Health | 10,650 | 10,650 | 10,650 | - |
| Regualtions | 142,324 | 142,324 | 142,324 | - |
| Billing Systems | 1,040,391 | 1,065,522 | 1,122,790 | 57,268 |
| Account Management | 205,319 | 238,379 | 271,461 | 33,082 |
| Mainstream Vouchers | - | - | - | - |
| Operations | 14,312,267 | 14,729,357 | 15,202,076 | 472,719 |
| Stormwater General Government Capital Project (GGCP) | 19,334,063 | 17,138,220 | 16,644,767 | (493,453) |
| General Operating Expenses | 10,323,995 | 9,827,631 | 12,727,894 | 2,900,263 |
| Total Expenditures | 48,690,953 | 46,523,210 | 49,276,198 | 2,752,988 |

Revenue

| | | | | |
|------------------------------------|--------------------|-------------------|-------------------|------------------|
| Charges for Services | 45,721,163 | 45,919,210 | 45,919,210 | - |
| Miscellaneous Revenue | 12,933 | 4,000 | 4,000 | - |
| From the Use of Money and Property | 1,357,834 | 600,000 | 600,000 | - |
| Specific Fund Reserves | - | - | 2,752,988 | 2,752,988 |
| Transfer In | 523,681 | - | - | - |
| Total Revenues | 47,615,611 | 46,523,210 | 49,276,198 | 2,752,988 |
| General City Support | (1,015,342) | - | - | - |

City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| FD530: Waste Management Enterprise Fund | | | | |
| Expenditures | | | | |
| Yard Debris Trailer | - | - | 1,133,023 | 1,133,023 |
| Residential Trash Collection | - | - | 19,330,410 | 19,330,410 |
| Bulky Items | - | - | 2,218,943 | 2,218,943 |
| Retiree Health Insurance | 123,169 | 173,929 | 173,929 | - |
| Customer Service | - | - | 681,273 | 681,273 |
| Equipment & Safety | - | - | 420,032 | 420,032 |
| Waste Collections | 16,319,761 | 18,296,003 | 1,908,023 | (16,387,980) |
| Yard Debris | 761,147 | 2,072,822 | 6,862,381 | 4,789,559 |
| Off-Site Hauling | - | - | 95,430 | 95,430 |
| Landfill Bureau | - | - | 2,217,967 | 2,217,967 |
| Resource Recovery Center | - | - | 844,171 | 844,171 |
| Recycling | 4,671,767 | 5,098,929 | 9,765,578 | 4,666,649 |
| Program Support | 994,355 | 1,466,593 | - | (1,466,593) |
| Waste Disposal | 13,018,176 | 13,086,240 | - | (13,086,240) |
| Technology and Support | - | - | 98,615 | 98,615 |
| Direct Costs | 208,191 | 202,135 | 151,729 | (50,406) |
| Indirect Costs | 1,898,418 | 1,918,068 | 1,480,672 | (437,396) |
| Occupational Health | 19,650 | 19,650 | 19,650 | - |
| Administration | - | - | 2,108,479 | 2,108,479 |
| Finance & Admin Services | - | - | 456,102 | 456,102 |
| General Operating Expenses | 881,069 | 919,425 | 1,475,352 | 555,927 |
| Total Expenditures | 38,895,702 | 43,253,793 | 51,441,759 | 8,187,966 |
| Revenue | | | | |
| Charges for Services | 37,366,968 | 41,806,207 | 46,456,207 | 4,650,000 |
| Permits, Fees, and Regulatory Licenses | 121,530 | 125,000 | 125,000 | - |
| Miscellaneous Revenue | 743,458 | 712,286 | 800,000 | 87,714 |
| From the Use of Money and Property | 147,646 | 275,000 | 275,000 | - |
| Revenue from the Commonwealth | 69,849 | 40,000 | 40,000 | - |
| Other Financing Sources | (2,895) | - | - | - |
| Specific Fund Reserves | - | 295,300 | 3,745,552 | 3,450,252 |
| Total Revenues | 38,446,557 | 43,253,793 | 51,441,759 | 8,187,966 |
| General City Support | 449,145 | - | - | - |

FD540: Parking Enterprise Fund

Expenditures

| | | | | |
|--|----------|----------|------------------|------------------|
| Indirect Costs | - | - | 244,454 | 244,454 |
| Landscape Services | - | - | 46,500 | 46,500 |
| Treasurer Support | - | - | 50,586 | 50,586 |
| Economic and Tourism General Government Capital Project (GGCP) | - | - | 500,000 | 500,000 |
| General Operating Expenses | - | - | 6,128,762 | 6,128,762 |
| Total Expenditures | - | - | 6,970,302 | 6,970,302 |

**City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| Revenue | | | | |
| Charges for Services | - | - | 5,625,000 | 5,625,000 |
| Permits, Fees, and Regulatory Licenses | - | - | 107,000 | 107,000 |
| Fines and Forfeitures | - | - | 500,000 | 500,000 |
| From the Use of Money and Property | - | - | 80,000 | 80,000 |
| Specific Fund Reserves | - | - | 586,302 | 586,302 |
| Transfer In | - | - | 72,000 | 72,000 |
| Total Revenues | - | - | 6,970,302 | 6,970,302 |
| General City Support | - | - | - | - |

FD600: City Garage Internal Service Fund

Expenditures

| | | | | |
|----------------------------|-------------------|-------------------|-------------------|------------------|
| Business Center | - | - | - | - |
| Waste Collections | - | - | - | - |
| Motor Pool | 88,846 | 185,025 | 191,335 | 6,310 |
| Automotive Services | 17,093,098 | 16,684,263 | 19,996,964 | 3,312,701 |
| General Operating Expenses | 26,537 | - | - | - |
| Total Expenditures | 17,208,481 | 16,869,288 | 20,188,299 | 3,319,011 |

Revenue

| | | | | |
|------------------------------------|-------------------|-------------------|-------------------|------------------|
| Charges for Services | 15,761,004 | 16,486,902 | 19,996,564 | 3,509,662 |
| Miscellaneous Revenue | 260,339 | 150,000 | 109,000 | (41,000) |
| From the Use of Money and Property | 115,919 | 40,000 | 82,735 | 42,735 |
| Specific Fund Reserves | - | 192,386 | - | (192,386) |
| Total Revenues | 16,137,261 | 16,869,288 | 20,188,299 | 3,319,011 |
| General City Support | 1,071,220 | - | - | - |

FD601: Fuels Internal Service Fund

Expenditures

| | | | | |
|----------------------------|------------------|------------------|------------------|----------------|
| Automotive Services | 2,832 | - | - | - |
| General Operating Expenses | 8,312,957 | 8,367,672 | 8,943,150 | 575,478 |
| Total Expenditures | 8,315,789 | 8,367,672 | 8,943,150 | 575,478 |

Revenue

| | | | | |
|------------------------------------|------------------|------------------|------------------|----------------|
| Charges for Services | 8,003,767 | 8,161,527 | 8,888,150 | 726,623 |
| From the Use of Money and Property | 32,898 | 55,809 | 55,000 | (809) |
| Specific Fund Reserves | - | 150,336 | - | (150,336) |
| Total Revenues | 8,036,664 | 8,367,672 | 8,943,150 | 575,478 |
| General City Support | 279,125 | - | - | - |

City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary

| FD812: Oyster Heritage Trust Fund | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|--|-------------------|-------------------|-------------------|---------------------|
| | Actual | Amended | Proposed | from FY 2024 |
| Expenditures | | | | |
| General Operating Expenses | 37,972 | - | 40,000 | 40,000 |
| Total Expenditures | 37,972 | - | 40,000 | 40,000 |
| Revenue | | | | |
| Miscellaneous Revenue | - | - | 20,000 | 20,000 |
| Total Revenues | - | - | 20,000 | 20,000 |
| General City Support | 37,972 | - | 20,000 | 20,000 |

| | FY 2022-23 | FY 2023-24 | FY 2024-25 | Variance |
|---|-------------------|-------------------|-------------------|---------------------|
| | Actual | Amended | Proposed | from FY 2024 |
| FD100: General Fund | | | | |
| Position Summary | | | | |
| Surveys | 16.00 | 16.00 | 16.00 | - |
| Stormwater Engineering Center | 32.00 | 33.00 | 33.00 | - |
| Transportation Program and Project Management | 12.00 | 12.00 | 12.00 | - |
| Management Services | 15.00 | 16.00 | 15.00 | (1.00) |
| Coastal Program and Project Management | 5.00 | 5.00 | 5.00 | - |
| Facilities Design and Construction | 7.00 | 7.00 | 11.00 | 4.00 |
| Contracts | 7.00 | 9.00 | 9.00 | - |
| Business Center | 9.00 | 9.00 | 9.00 | - |
| Energy Management | 2.00 | 2.00 | 2.00 | - |
| Building Maintenance | 16.00 | 16.00 | 27.00 | 11.00 |
| Environmental Management | 1.00 | 1.00 | 1.00 | - |
| Program Support | 34.88 | 34.88 | 36.88 | 2.00 |
| Street Maintenance | 58.00 | 58.00 | 60.00 | 2.00 |
| Dredge Maintenance | 23.00 | 24.00 | 24.00 | - |
| Mosquito Control | 30.00 | 30.00 | 30.00 | - |
| Traffic Management | 55.00 | 57.00 | 68.00 | 11.00 |
| Bridge Maintenance | 7.00 | 7.00 | 7.00 | - |
| Beach Operations | 4.00 | 4.00 | 4.00 | - |
| Electrical Support | 22.00 | 22.00 | 22.00 | - |
| Infrastructure Support | 9.00 | 9.00 | 10.00 | 1.00 |
| General Maintenance | 45.00 | 45.00 | 44.00 | (1.00) |
| Custodial Services | 56.00 | 56.00 | 56.00 | - |
| Resort Building Maintenance | 3.00 | 3.00 | 3.00 | - |
| Street Sweeping | 3.00 | 3.00 | 3.00 | - |
| Engineering | 22.00 | 24.00 | 24.00 | - |
| Surface Water Compliance | 15.00 | 15.00 | 15.00 | - |
| Planning and Space Management | 14.00 | 14.00 | 2.00 | (12.00) |
| Heat and Air Conditioning Support | 24.00 | 24.00 | 23.00 | (1.00) |
| Technology and Support | 12.00 | 12.00 | 12.00 | - |
| Operations | 34.00 | 35.00 | 35.00 | - |

City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| General Operations | 15.00 | 14.00 | 14.00 | - |
| General Fund Positions | 607.88 | 616.88 | 632.88 | 16.00 |
| <u>FD224: Parks And Recreation Special Revenue Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Recreation Centers | 4.00 | 4.00 | 4.00 | - |
| Parks And Recreation Special Revenue Fund Positions | 4.00 | 4.00 | 4.00 | - |
| <u>FD241: Tourism Investment Program Special Revenue Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Beach Operations | 18.00 | 18.00 | 18.00 | - |
| Resort Building Maintenance | 8.00 | 8.00 | 8.00 | - |
| Tourism Investment Program Special Revenue Fund Positions | 26.00 | 26.00 | 26.00 | - |
| <u>FD252: Sandbridge Special Service District Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Beach Operations | 4.00 | 4.00 | 5.00 | 1.00 |
| Sandbridge Special Service District Fund Positions | 4.00 | 4.00 | 5.00 | 1.00 |
| <u>FD520: Storm Water Utility Enterprise Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Inspections | 17.00 | 17.00 | 17.00 | - |
| Operations | 81.00 | 81.00 | 81.00 | - |
| Storm Water Utility Enterprise Fund Positions | 98.00 | 98.00 | 98.00 | - |
| <u>FD530: Waste Management Enterprise Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Yard Debris Trailer | - | - | 5.00 | 5.00 |
| Residential Trash Collection | - | - | 36.00 | 36.00 |
| Bulky Items | - | - | 9.00 | 9.00 |
| Customer Service | - | - | 10.00 | 10.00 |
| Equipment & Safety | - | - | 4.00 | 4.00 |
| Waste Collections | 124.00 | 124.00 | 10.00 | (114.00) |
| Yard Debris | 5.00 | 5.00 | 45.00 | 40.00 |
| Off-Site Hauling | - | - | 1.00 | 1.00 |
| Landfill Bureau | - | - | 7.00 | 7.00 |
| Resource Recovery Center | - | - | 5.00 | 5.00 |
| Recycling | 3.00 | 3.00 | 3.00 | - |
| Program Support | 14.00 | 15.00 | - | (15.00) |
| Waste Disposal | 10.00 | 10.00 | - | (10.00) |
| Technology and Support | - | - | 1.00 | 1.00 |
| Administration | - | - | 18.00 | 18.00 |
| Finance & Admin Services | - | - | 3.00 | 3.00 |
| General Operations | 1.00 | - | - | - |
| Waste Management Enterprise Fund Positions | 157.00 | 157.00 | 157.00 | - |

**City Of Virginia Beach, Virginia
Public Works - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| FD540: Parking Enterprise Fund | | | | |
| Position Summary | | | | |
| General Operations | - | - | 7.00 | 7.00 |
| Parking Enterprise Fund Positions | - | - | 7.00 | 7.00 |
| FD600: City Garage Internal Service Fund | | | | |
| Position Summary | | | | |
| Automotive Services | 80.00 | 83.00 | 83.00 | - |
| City Garage Internal Service Fund Positions | 80.00 | 83.00 | 83.00 | - |
| Total Positions | 976.88 | 988.88 | 1,012.88 | 24.00 |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

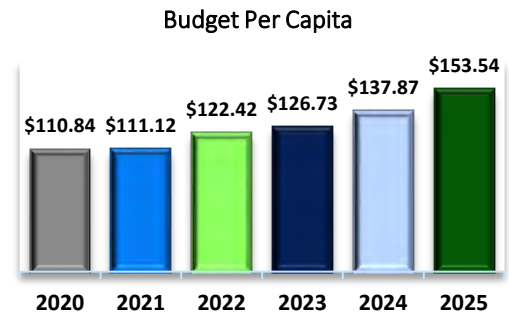
SHERIFF'S OFFICE



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.

Department Overview

The Virginia Beach Sheriff's Office (VBSO) is funded through a combination of local, Commonwealth, and federal revenues. Funds from the Commonwealth are based on requirements stipulated in the Code of Virginia and appropriations made by the General Assembly and are distributed by the Compensation Board of the Commonwealth of Virginia. Local funds provided by the City are for Central Booking, Workforce Services, employee salary enhancements, 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 VBSO, as well as program development.
- Court Support - Provides security and order in the various courts for Virginia Beach 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 offering 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 first approved in 1991 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 Programs.
- 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 table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2020 | FY 2021 | FY 2022 | FY 2023 EST | FY 2024 PROJ |
|---|---------|---------|---------|----------------|-----------------|
| Civil documents served | 105,897 | 105,335 | 99,252 | 115,579 | 115,000 |
| Arrestees processed | 29,293 | 18,728 | 23,151 | 26,597 | 20,000 |
| Number of courtrooms secured | 23 | 23 | 23 | 23 | 23 |
| Average daily jail population | 1,253 | 1,120 | 1,060 | 1,011 | 1,000 |
| Inmates over the Department of Corrections certified capacity | 364 | 231 | 171 | 122 | 111 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|---|----------------|-----------------|------------------|
| The City's overall efforts to prevent crime | 65.9% | 57.8% | 50.4% |
| Feeling of safety in your neighborhood during the day | 91.0% | 81.6% | 9.4% |
| Feeling of safety in the City overall | 80.1% | 71.1% | 9% |
| Feeling of safety in your neighborhood at night | 71.2% | 70.1% | 1.0% |

Trends & Issues

→ Inmates Medical Care

Traditional medical care for inmates is the single largest expense in the Virginia Beach Sheriff's Office (VBSO) Operating Budget. The inflationary economy has resulted in higher costs for offsite medical services, personal protective equipment, other medical supplies, and routine testing. As a result of the pandemic, the VBSO has adapted its facility and many services normally provided in the Correctional Center have been subject to the changing conditions.

→ Aging Facility

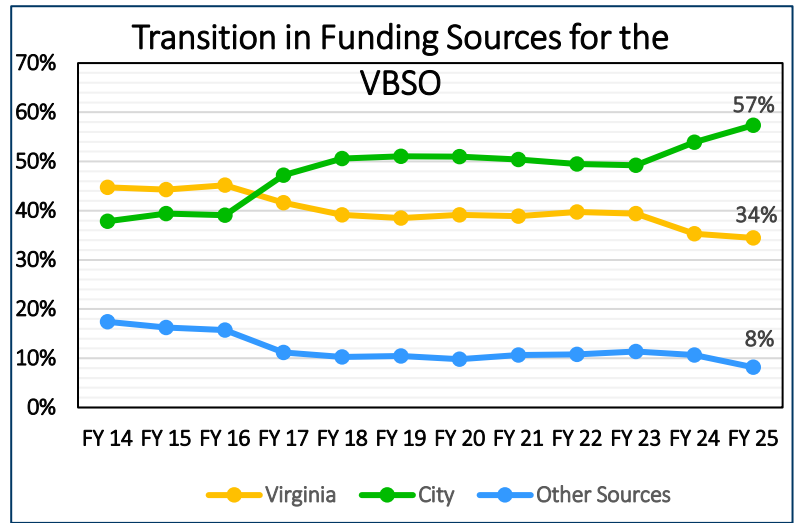
One of the buildings in the Virginia Beach Correctional Center is nearly 17 years old with much of its original equipment still in use. In the past few years, the VBSO has had to repurpose year end savings in their budget to replace equipment, such as for shelving system in their property storage room and for pieces of kitchen appliances.

VBSO will explore whether contracting with a vendor to provide installation and maintenance of kitchen equipment is feasible. VBSO has recently replaced the commercial washers/dryers that were 17 years old and past their useful lives.

Due to the rising costs associated with the pandemic, the VBSO does not have available capacity in their budget or sufficient reserves to fund full-scale replacement of this facility. However, included in Capital Improvement Program, is funding for a correctional center rehabilitation project within project 100535 with programmed funding beginning in FY 2027-28.

→ Sources of Financing for Local Jails

Over the past decade, there has been a transition in the primary funding source for the VBSO. At the start of the decade, the Commonwealth of Virginia was the largest source of VBSO revenue. Today, transfer of funds from the City General Fund is the biggest contributor to the VBSO. While the relationship of City to Commonwealth 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 as the limited inflow of additional revenue from the Commonwealth is unable to keep pace with the needs of the office.

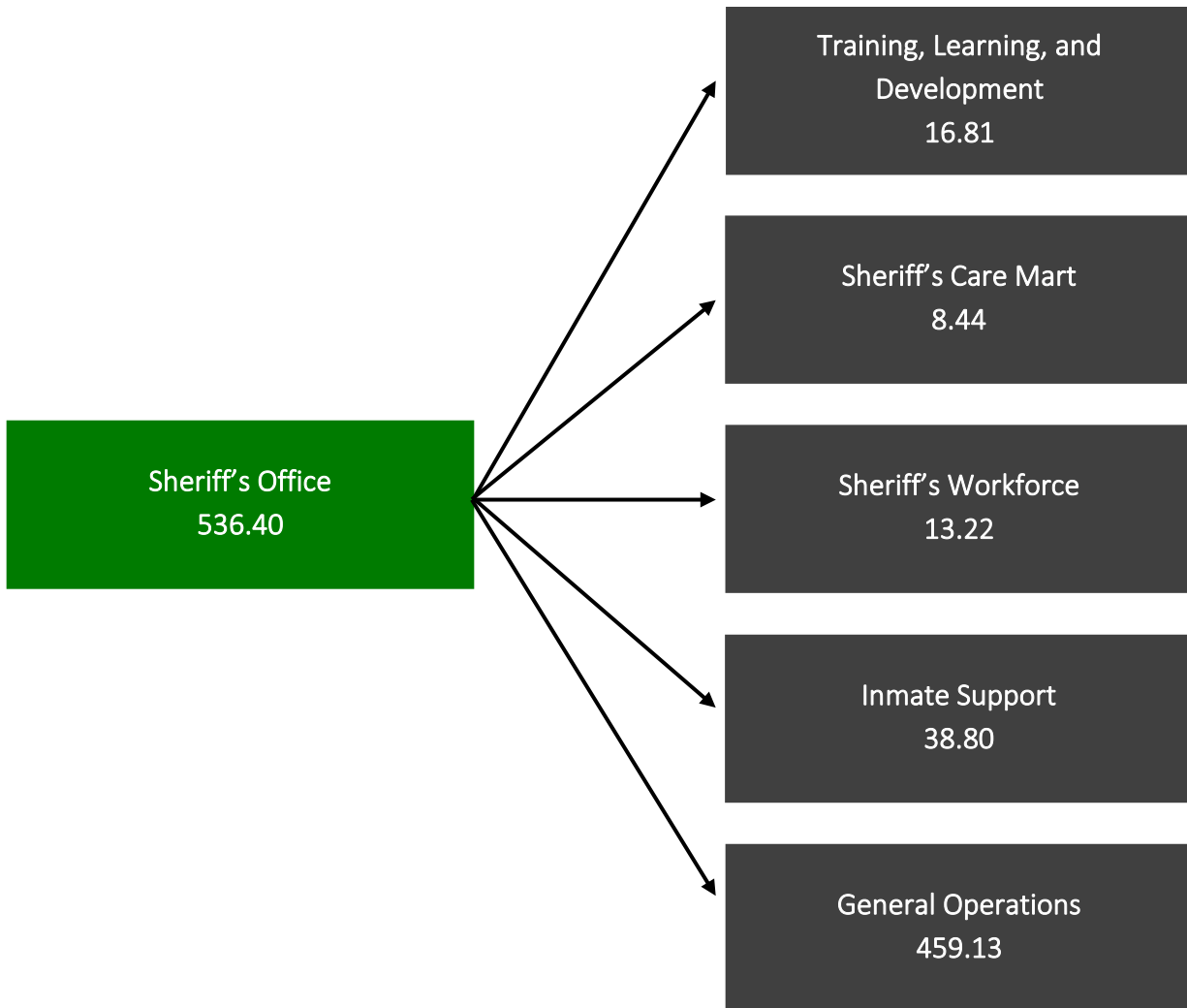


The FY 2024-25 budget of the Commonwealth may provide additional funds to the office. However, at the time of the proposed budget, the State budget has not yet been finalized by the General Assembly.

Major Budget Changes

| | Change | Impact |
|---|---|--|
| ↑ | Food Services 0.0 FTEs \$150,000 | The Sheriff's Office's food service contract increased by an average of \$5,000 per week. In FY2022-23, the increase of 8.5% began to challenge the Sheriff's Office available funds and has continued to exceed the budget. This additional amount will help ensure the department has adequate funds in place for this purchase. |
| ↑ | Medical Services 0.0 FTEs \$300,000 | The medical contract increased 4% after a new contract was established. Traditional medical care for inmates is the single largest expense in the Virginia Beach Sheriff's Office Operating Budget. The inflation has resulted in higher costs for offsite medical services, personal protective equipment, other medical supplies, and routine testing. |
| ↑ | Annualization of Body Worn Cameras 0.0 FTEs \$2.3 million | This is an increase in funding to support the ongoing operating costs for The Sheriff's Office Body Worn Cameras that were approved in the FY2022-23 CIP. |

Department Organization Chart



**City Of Virginia Beach, Virginia
Sheriff - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|---|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD233: Sheriff's Office Special Revenue Fund | | | | |
| Expenditures | | | | |
| Training, Learning, and Development | 2,054,081 | 2,573,145 | 2,607,732 | 34,587 |
| Sheriff's Care Mart | 561,670 | 609,386 | 617,378 | 7,992 |
| Sheriff's Workforce | 1,734,614 | 1,707,760 | 1,723,791 | 16,031 |
| Inmate Support | 3,584,530 | 3,400,911 | 3,201,063 | (199,848) |
| General Operating Expenses | 54,167,462 | 56,326,079 | 61,146,556 | 4,820,477 |
| Total Expenditures | 62,102,357 | 64,617,281 | 69,296,520 | 4,679,239 |

| | | | | |
|--|-------------------|-------------------|-------------------|------------------|
| Revenue | | | | |
| Charges for Services | 4,288,897 | 4,976,608 | 4,976,608 | - |
| Permits, Fees, and Regulatory Licenses | 2,417 | 4,000 | 4,000 | - |
| Miscellaneous Revenue | 6,166 | 3,000 | 3,000 | - |
| From the Use of Money and Property | 7,740 | 14,000 | 14,000 | - |
| Revenue from the Commonwealth | 21,343,095 | 21,706,135 | 23,239,133 | 1,532,998 |
| Revenue from the Federal Government | 256,361 | 150,000 | 150,000 | - |
| Transfer In | 32,626,402 | 37,763,538 | 40,909,779 | 3,146,241 |
| Total Revenues | 58,531,077 | 64,617,281 | 69,296,520 | 4,679,239 |
| General City Support | 3,571,280 | - | - | - |

FD270: Consolidated Grants Special Revenue Fund

| | | | | |
|----------------------------|----------------|---|---|---|
| Expenditures | | | | |
| General Operating Expenses | 194,774 | - | - | - |
| Total Expenditures | 194,774 | - | - | - |

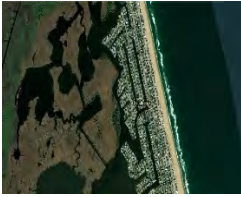
| | | | | |
|-------------------------------------|----------------|---|---|---|
| Revenue | | | | |
| Revenue from the Federal Government | 9,451 | - | - | - |
| Total Revenues | 9,451 | - | - | - |
| General City Support | 185,322 | - | - | - |

**City Of Virginia Beach, Virginia
Sheriff - Departmental Resource Summary**

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|--|----------------------|-----------------------|------------------------|--------------------------|
| <u>FD233: Sheriff's Office Special Revenue Fund</u> | | | | |
| <u>Position Summary</u> | | | | |
| Training, Learning, and Development | 16.81 | 16.81 | 16.81 | - |
| Sheriff's Care Mart | 8.44 | 8.44 | 8.44 | - |
| Sheriff's Workforce | 13.22 | 13.22 | 13.22 | - |
| Inmate Support | 40.80 | 40.80 | 38.80 | (2.00) |
| General Operations | 456.72 | 457.13 | 459.13 | 2.00 |
| Total Positions | 535.99 | 536.40 | 536.40 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

SPECIAL FINANCING DISTRICTS AND FUNDS

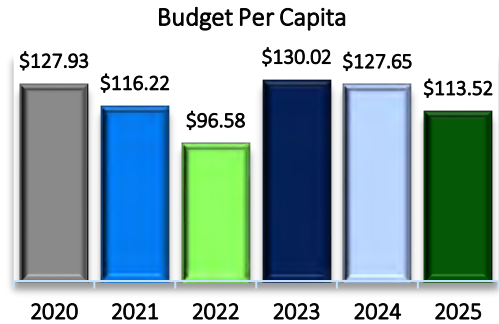


Special Financing Districts and Funds are the omnibus home for City activities with a dedicated funding source. These districts or funds are not managed by one single City department and therefore are not fully reflected elsewhere within the departmental section of this budget document. The entities contained within the Special Financing Districts category are enumerated, with brief descriptions of each, below.

Overview

Tourism Investment Program (TIP) Fund

The TIP Fund was created by City Council in May 2011 as a merger of two existing City funds: The Tourism Growth and Improvement Fund (originally established in FY 1993-94) and the Major Projects Fund (originally established in FY 2001-02). The TIP Fund was designed to carry-out the functions of both funds, which are to develop opportunities for strategic tourism related growth and economic development as well as to pay for debt and operating expenditures created by these activities. The Special Financing District (SFD) and Funds contain the TIP Fund’s appropriations for debt service, reserve for contingencies, and transfers to other funds. The operating expenditures paid for through the TIP Fund can be found in the appropriate departmental budget section for each activity.



In FY 2023-24, Town Center Special Service District (SSD) was moved from Special Financing Districts and Funds to the Department of Economic Development

Sandbridge Special Service District (SSD) Special Revenue Fund

The Sandbridge SSD was created by Council action on November 1, 1994, and can be found in Chapter 35.1 of the City Code of Ordinances. The purpose of the Sandbridge SSD is to fund operating expenditures related to beach cleaning, which can be found in the Public Works section, and to provide pay-as-you-go financing to the Coastal Section of the Capital Improvement Program (CIP) for Sandbridge related projects such as “Sandbridge Beach Access Improvements II” and “Sandbridge Beach Restoration III & IV.” The Special Financing District contains the SSD’s transfer to other funds, which relates to CIP financing. The Sandbridge SSD is funded through the dedication of 6.5% of the total 9.5% Hotel Tax levied in Sandbridge, a \$1 flat rate per night room charge, and through a real estate surcharge of 1¢ on properties within the district. The Real Estate tax rate can be found in Section 4 of the City’s real estate tax ordinance, which can be found in the ordinance section of this document.

Central Business District-South Tax Increment Financing (TIF) Fund

The Central Business District (Town Center) TIF was created by Council action on November 23, 1999. The TIF was created pursuant to powers established by the General Assembly through Section 58.1-3245.2 of the Code of Virginia. The primary purpose of the Town Center TIF is to pay for the debt service to support economic development projects located in Town Center. The Special Financing District contains the TIF’s debt service, reserve for contingencies, and transfers to other funds.

The Town Center TIF is funded through real estate taxes generated from assessed values that are in excess of base real estate values on properties within the district. The base real estate value of the Town Center TIF is \$151.8 million. All revenue generated from growth above this assessed value is retained by the fund for the aforementioned purposes.

Neighborhood Dredge Special Service Districts (SSD)

Neighborhood dredging SSDs may be created by City Council upon the City’s receipt of a signed petition from 80% or more of the residents of a neighborhood with waterfront property that commits property owners to an additional real estate tax surcharge for dredging activities performed by the City. Such dredging occurs in partnership between the City and the property owners, with the City willing to contribute to the costs of dredging in community channels. Each SSD is created through a separate Council action; has its own tax rate (which can be found in Section 8 of the City’s real estate tax ordinance in the ordinance section of this document); and has its own CIP project in the Coastal Section of the CIP. The Special Financing District and Funds contains each of the eight Neighborhood dredging SSD funds, which includes reserve for contingencies and transfers to other funds used to support the matching share required within each neighborhood’s CIP project. These SSDs are all term-limited and have future expiration dates once completion of the prescribed number of dredge cycles occurs.

The eight Neighborhood Dredge SSDs, and their real estate tax rates, are as follows:


| | | | |
|---------------------------|--------|-------------------|-------|
| → Old Donation Creek Area | 18.4¢ | → Harbour Point | 12.0¢ |
| → Bayville Creek | 47.2¢ | → Gills Cove | 16.0¢ |
| → Shadowlawn Area | 15.94¢ | → Hurd’s Cove | 43.8¢ |
| → Chesapeake Colony | 29.13¢ | → Schilling Point | 58.0¢ |

Key Performance Measures

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The Survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The survey results compare Virginia Beach to the Atlantic Region and National average. The Special Financing Districts include funds that support tourism growth, economic development projects located in the city’s town center, maintenance of the Sandbridge beach and neighborhood dredging projects that enhance the livability of communities around the city. Virginia Beach residents recognize the value received from these funds by their satisfaction ratings in the just concluded residents’ satisfaction survey in the table below. Residents scored Virginia Beach higher than the Atlantic region and nationally as a place to live, visit, raise children and retire.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Percent who view the City as a place to live | 89.7% | 60.0% | 49.7% |
| Percent who view the City as a place you would recommend family and friends to visit | 81.2% | 62.3% | 58.0% |
| Percent who view the City as a place to raise children | 84.1% | 69.1% | 62.4% |
| Percent who view the City as a place to retire | 65.6% | 56.1% | 51.7% |

Major Budget Changes

| | Change | Impact |
|---|--|--|
|  | Rate Changes for Schilling Point and Gills Cove Special Services Districts | As Schilling Point Special Services District (SSD) and Gills Cove SSD work through their first phases of dredging both SSDs require a tax rate increase to ensure adequate funding is in place the remainder of planned dredging cycles. Schilling Point SSD's rate increased from 40.4¢ to 58¢, generating approximately \$20,260 in additional revenue for FY 2024-25. Gills Cove SSD's rate increased from 6.3¢ to 16¢, generating approximately \$27,850 in additional revenue for FY 2024-25. More information about the SSDs can be found in the Coastal section of the Capital Improvement Program. |

VOTER REGISTRATION AND ELECTIONS

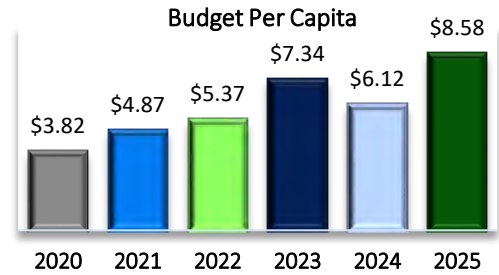


The mission of the Voter Registration & Elections Office is to serve the City of Virginia Beach by providing each citizen the opportunity to exercise their right to vote in a fair, accessible, and transparent manner.

Department Overview

The Voter Registration & Elections Office maintains the current registration and elections process for Virginia Beach voters and supports 109 precincts by:

- Complying with mandatory state and federal standards.
- Providing each citizen of Virginia Beach, the opportunity to exercise their right to vote in accordance with the Constitutions of the United States and the Commonwealth of Virginia and the Code of Virginia.
- Providing convenient ways for citizens to register to vote and update their voter registration record.
- Handling mail registration sites at the U.S. Post Office, City schools, and City recreation centers. Voter Registration and Elections also handles 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.



Note: The increased cost in FY 2022-23 is associated with multiple unanticipated special elections including a January Special Election and Primary Elections in June.

Key Performance Measures

The table below illustrates how the Department has been performing on their departmental performance metrics:

| Departmental Performance Metrics | FY 2021 | FY 2022 | FY 2023 | FY 2024 EST | FY 2025 PROJ |
|--|---------|---------|---------|-------------|--------------|
| Number of registered voters | 305,072 | 322,725 | 332,007 | 330,374 | 332,000 |
| Number of registered voters served by each registrar | 25,423 | 24,825 | 25,539 | 23,598 | 23,714 |
| Percent of residents voting in a local election | 75.5% | 50.3% | 38.7% | 37.7% | 75% |
| Absentee voters by mail and in person | 56,285 | 56,342 | 22,703 | 41,657 | 132,000 |

In 2022, the City contracted with ETC Institute to undergo a Resident Satisfaction Survey. The survey included standardized questions used in communities across the country, to allow Virginia Beach to benchmark the city against average ratings in other communities, and it also included questions developed specifically for Virginia Beach to gain insights on issues that impact the city. The following table provides how Virginia Beach compares to the Atlantic Region and the National average for a few of the survey findings.

| Resident Satisfaction Results | Virginia Beach | Atlantic Region | National Average |
|--|----------------|-----------------|------------------|
| Overall quality of customer service you receive from City employees | 73.0% | 38.0% | 40.6% |
| Overall quality of services provided by the City | 71.1% | 47.8% | 50.5% |
| Effectiveness of City communication with the public | 49.9% | 48.3% | 38.2% |
| Availability of information about local government services and activities | 52.0% | 52.5% | 47.5% |

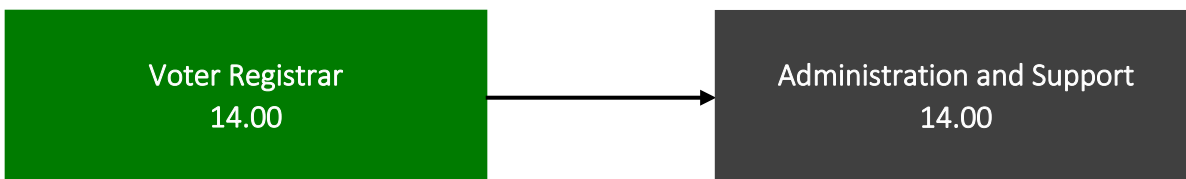
Trends and Issues

- Early voting laws adopted by the Commonwealth are expected to increase the early voter turnout rates leading up to election day. These changes will increase operations within Voter Registration & Elections as staff will be required to process absentee in-person voters and vote by-mail ballots.
- FY 2024-2025 will have one scheduled election, the November General and Special election. For early in-person and by-mail voting, there will be 324 different ballot styles. Storing these ballots will present a challenge for the office. Ballot swill be stored at multiple locations; however, additional staff will be provided to ensure integrity of the process.
- The Presidential Election is the city’s largest election. With no excuse early voting implemented in 2020, there has been an increase in voters voting prior to election day. In 2016, there were 30,050 early votes. In 2020, the number of early voters was 131,227. This puts a strain on the office which requires an increase in temporary staff and overtime accrued.
- A new facility has been purchased that will allow all operations for the Voter Registrar and Elections to be consolidated from five separate building to one facility. This move will not occur until 2025.

Major Budget Changes

| | Change | Impact |
|---|--|--|
| ↑ | Presidential Election \$1,037,425 | This budget includes funding to support the November 2024 Presidential election. This supports increased personnel costs for temporary employees, as well as overtime cost for permanent staff. This staff will assist voters and manage polling locations on Election Day, process absentee ballots and early in-person voting, and will staff a call center for individuals with election-related questions. This funding will also help pay for the production of both sample and official ballots. |
| ↑ | Election Worker Pay \$181,238 | Election worker base pay with training was increased from \$182 to \$265 in an effort to retain election worker to operate election sites on Election days. This increase has required an increase to total funding to appropriately staff election day precincts at the staffing ratio proposed by the Voter Registrar. |

Department Organization Chart



City Of Virginia Beach, Virginia
Voter Registration and Elections - Departmental Resource Summary

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|-------------------------------|----------------------|-----------------------|------------------------|--------------------------|
| Program Summary | | | | |
| FD100: General Fund | | | | |
| Expenditures | | | | |
| General Operating Expenses | 3,341,325 | 2,776,010 | 3,894,159 | 1,118,149 |
| Total Expenditures | 3,341,325 | 2,776,010 | 3,894,159 | 1,118,149 |
| Revenue | | | | |
| Charges for Services | 32 | - | - | - |
| Miscellaneous Revenue | 700 | - | - | - |
| Revenue from the Commonwealth | 127,386 | 162,497 | 172,183 | 9,686 |
| Specific Fund Reserves | - | - | 1,037,425 | 1,037,425 |
| Total Revenues | 128,118 | 162,497 | 1,209,608 | 1,047,111 |
| General City Support | 3,213,207 | 2,613,513 | 2,684,551 | 71,038 |

| | FY 2022-23 Actual | FY 2023-24 Amended | FY 2024-25 Proposed | Variance from FY 2024 |
|----------------------------|----------------------|-----------------------|------------------------|--------------------------|
| FD100: General Fund | | | | |
| Position Summary | | | | |
| General Operations | 13.00 | 14.00 | 14.00 | - |
| Total Positions | 13.00 | 14.00 | 14.00 | - |

A portion of the year over year increase for the department is related in a change of accounting for IT services, software and subscription cost. Prior to FY 2024-25 these charges were reflected within "Non-Departmental" within the General Fund. This change more accurately reflects the true cost of service for individual departments.

DEBT SERVICE

Debt Service 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 stormwater). 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.

Legal Debt Limit

Commonwealth of Virginia 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, issued by the City's Enterprise funds for utility capital improvements, are not subject to the limit. For FY 2024-25, the City's assessed value of real property is estimated at \$82.1 billion. By the end of the fiscal year, the City's projected debt amount will be 1.42% of the total assessed value.

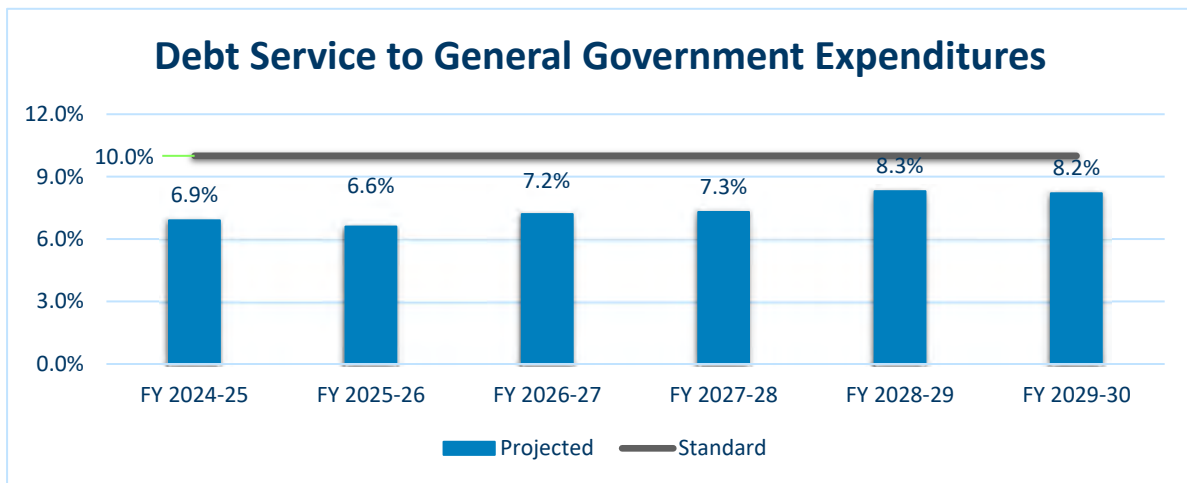
Debt Indicators

In 1992, the City established a debt policy based on four major debt indicators in order to maintain 'best-practice' financial management and minimize the overall debt burden. In 2023, The City's Financial Advisor recommended that the City update and enhance its existing debt-related financial policies to bring them in line with current national credit rating practices. As such, On February 7, 2023, City Council adopted a resolution to update the debt policies based on the advisor's recommendations. To help manage debt, it is important to have a policy with guidelines and restrictions that control the amount and type of debt issued. A debt management policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital improvement plan (CIP). Adherence to debt management policies signal to rating agencies and the capital markets that a municipality is well managed and should meet its fiscal obligations in a timely manner.

The four major debt indicators to be used to evaluate the City's financial condition are defined below. The City monitors these metrics closely when making CIP means of financing decisions and because of implementation of conservative debt metrics such as these and other financial polices, the City of Virginia Beach is an AAA/Aaa bond rated locality.

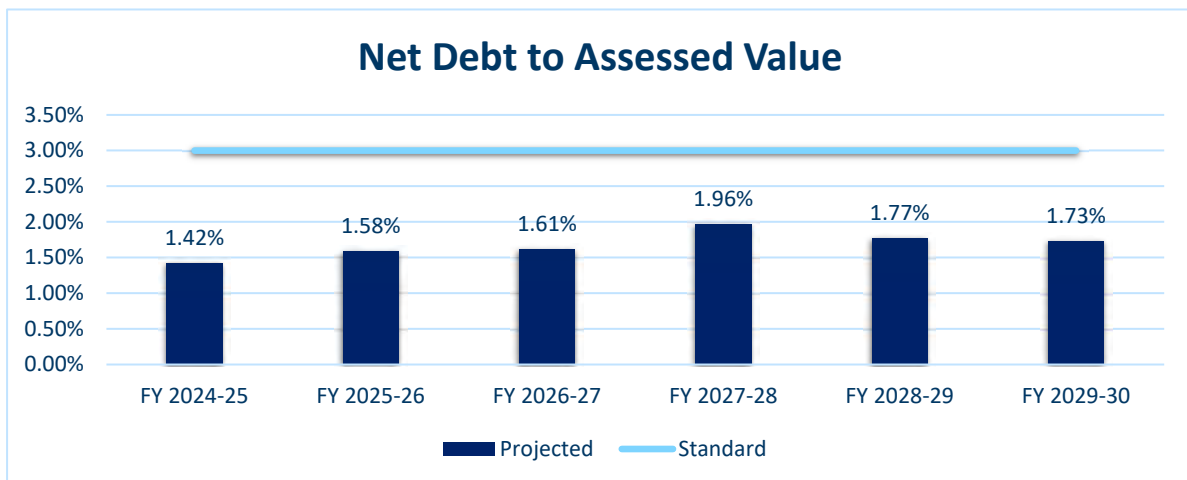
→ **Ratio of General Government Debt Service to General Government Expenditures**

Per the City Policy, the Ratio of General Government Debt Service to the General Government Expenditures may not exceed 10%. This indicator measures the percentage of the general operating expenditures, which must be used for debt service (i.e., principal and interest payments on existing debt). Increasing debt service reduces expenditure flexibility by adding to the City’s debt-related obligations. The City’s budget is assumed to grow 3% annually for forecasting this metric.



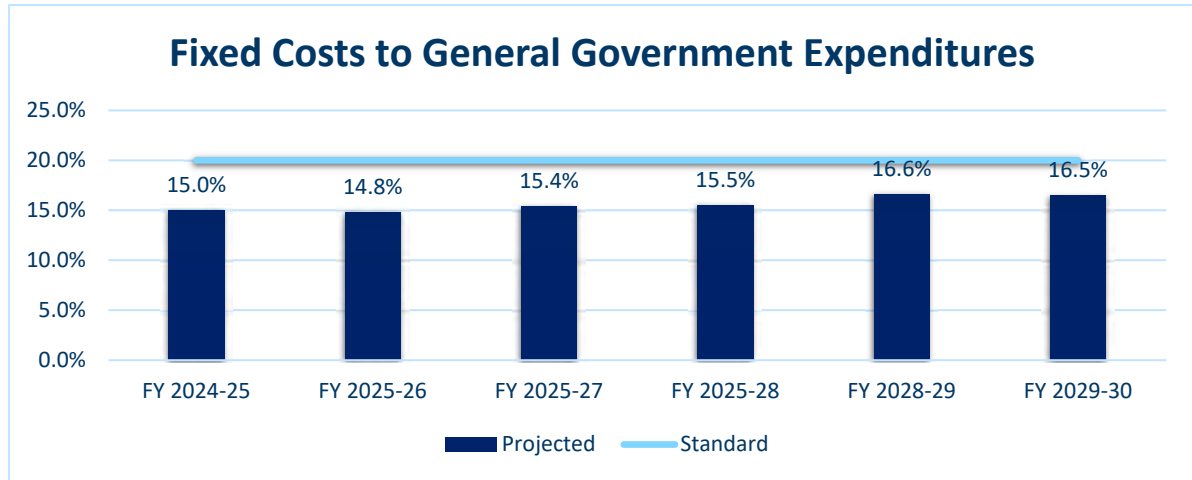
→ **Ratio of General Government Net Debt to Assessed Value of Real Property**

The Ratio of General Government Net Debt to Assessed Value of Real Property may not exceed 3.0%. This indicator measures the amount of tax-supported general obligation debt as a percentage of the City’s assessed valuation of real property, using the Land Book. An increase in this indicator can mean that the City’s ability to repay the debt is diminishing. Or it could mean that the City has intentionally increased its debt burden. A diminished ability to repay debt may result in difficulty in obtaining additional capital funds, a higher interest rate when borrowing, or difficulty in repaying existing debt. A reasonable level of debt burden is expected to meet the needs of a well-managed city. The Virginia State Constitution Art VII, § 10(A) and State Code § 15.2-2634 places a legal limit of 10% for tax supported debt. Real estate data is from the City Real Estate Assessor, and future estimates assume a 3.0% increase in assessments annually.

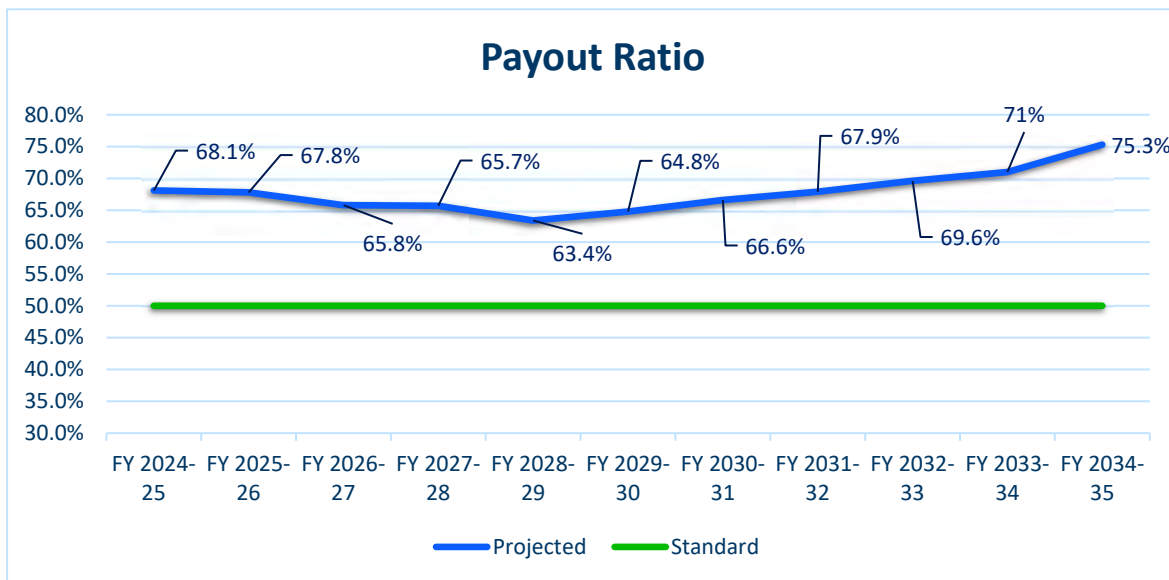


→ **Fixed Costs to General Government Expenditures**

This indicator measures the percentage of tax supported debt and leases plus annual pension and OPEB (Other Post-Employment Benefits) costs. Annual OPEB costs include group life insurance, Line of Duty Act Program contributions related to public safety officers, Virginia Local Disability Program contributions, and Health Insurance Credit Program (school employees). Increasing fixed costs reduces expenditure flexibility for other operating needs. This metric was adopted by City Council in February 2023. The Ratio of Fixed Costs to General Government Expenditures may not exceed 20%.



→ **10-Year Payout Ratio** – This indicator measures the amount of tax-supported principal repaid over the following ten fiscal years via a ratio that divides the amount of tax-supported principal repaid over the following ten fiscal years divided by total tax support principle outstanding. By using rapid debt retirement, the City is minimizing its borrowing costs/interest paid on outstanding debt. This metric was adopted by City Council in February 2023. The Ratio of 10-Year Payout shall remain above 50%.



Debt Service by Purpose

The table below provides a comparison of the budgeted debt service costs by functional area for FY 2024-25. The amounts shown for “Utilities” includes water, sewer, and stormwater utility fund debt. The amount shown for “General Government” includes all other City debt including debt for the Agricultural Reserve Program.

| Purpose | FY 2023-24 | FY 2024-25 | % Change |
|--------------------|----------------------|----------------------|--------------|
| Schools | 50,071,611 | 50,071,611 | 0.00% |
| General Government | 114,451,464 | 108,173,175 | -5.49% |
| Flood Protection | - | 11,897,266 | - |
| Utilities | 28,762,400 | 31,118,275 | 8.19% |
| Total | \$193,285,475 | \$201,260,327 | 4.13% |

Debt Service by Fund

The following table lists the total budgeted debt service for each fund.

| Fund | FY 2023-24 | FY 2024-25 | % Change |
|--|----------------------|----------------------|--------------|
| General Fund | 59,311,299 | 63,095,110 | 6.38% |
| School Operating Fund | 50,071,611 | 50,071,611 | 0.00% |
| Flood Protection | - | 11,897,266 | - |
| Parks and Recreation SRF | 3,716,702 | 3,605,976 | -2.98% |
| Tourism Investment Program | 37,113,682 | 27,860,574 | -24.93% |
| Agricultural Reserve Program | 6,901,670 | 7,621,510 | 10.43% |
| Central Business District South TIF | 4,932,676 | 4,122,207 | -16.43% |
| Open Space SRF | 1,820,662 | 1,215,517 | -33.24% |
| Water and Sewer Enterprise Fund | 18,934,769 | 18,990,644 | 0.30% |
| Parking Enterprise Fund | 654,773 | 652,281 | -0.38% |
| Stormwater Utility Enterprise Fund | 9,827,631 | 12,127,631 | 23.40% |
| Total | \$193,285,475 | \$201,260,327 | 4.13% |

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, flood protection, 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 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|--|-------------|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|
| General Obligation Bonds | | | | | | | |
| Beginning General Obligation Debt | | 455,669,234 | 402,434,117 | 352,263,014 | 306,387,348 | 264,527,629 | 226,843,815 |
| Less: Principal Retirement | | 53,235,117 | 50,171,103 | 45,875,666 | 41,859,719 | 37,683,814 | 34,048,814 |
| Ending General Obligation Debt | | 402,434,117 | 352,263,014 | 306,387,348 | 264,527,629 | 226,843,815 | 192,795,001 |
| <hr/> | | | | | | | |
| Spring 2024 Issue | 158,000,000 | 158,000,000 | 150,100,000 | 142,200,000 | 134,300,000 | 126,400,000 | 118,500,000 |
| Less: Principal Retirement | | 7,900,000 | 7,900,000 | 7,900,000 | 7,900,000 | 7,900,000 | 7,900,000 |
| Ending General Obligation Debt | | 150,100,000 | 142,200,000 | 134,300,000 | 126,400,000 | 118,500,000 | 110,600,000 |
| <hr/> | | | | | | | |
| Spring 2024 Issue-Flood | 118,972,663 | 118,972,663 | 113,024,030 | 107,075,397 | 101,126,764 | 95,178,131 | 89,229,498 |
| Less: Principal Retirement | | 5,948,633 | 5,948,633 | 5,948,633 | 5,948,633 | 5,948,633 | 5,948,633 |
| Ending General Obligation Debt | | 113,024,030 | 107,075,397 | 101,126,764 | 95,178,131 | 89,229,498 | 83,280,865 |
| <hr/> | | | | | | | |
| Spring 2026 Issue | 120,820,635 | - | 120,820,635 | 120,820,635 | 114,779,603 | 108,738,571 | 102,697,539 |
| Less: Principal Retirement | | - | - | 6,041,032 | 6,041,032 | 6,041,032 | 6,041,032 |
| Ending General Obligation Debt | | - | 120,820,635 | 114,779,603 | 108,738,571 | 102,697,539 | 96,656,507 |
| <hr/> | | | | | | | |
| Spring 2026 Issue- Flood | 149,998,264 | - | 149,998,264 | 149,998,264 | 142,498,351 | 134,998,438 | 127,498,525 |
| Less: Principal Retirement | | - | - | 7,499,913 | 7,499,913 | 7,499,913 | 7,499,913 |
| Ending General Obligation Debt | | - | 149,998,264 | 142,498,351 | 134,998,438 | 127,498,525 | 119,998,612 |
| <hr/> | | | | | | | |
| Spring 2028 Issue | 175,820,635 | - | - | - | 175,820,635 | 175,820,635 | 167,029,603 |
| Less: Principal Retirement | | - | - | - | - | 8,791,032 | 8,791,032 |
| Ending General Obligation Debt | | - | - | - | 175,820,635 | 167,029,603 | 158,238,571 |
| <hr/> | | | | | | | |
| Spring 2028- Flood | 298,529,073 | - | - | - | 298,529,073 | 298,529,073 | 283,602,619 |
| Less: Principal Retirement | | - | - | - | - | 14,926,454 | 14,926,454 |
| Ending General Obligation Debt | | - | - | - | 298,529,073 | 283,602,619 | 268,676,165 |
| <hr/> | | | | | | | |
| Total-Outstanding Gen Obligation Debt | | 665,558,147 | 872,357,310 | 799,092,066 | 1,204,192,477 | 1,115,401,599 | 1,030,245,721 |

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 Revenue Bonds are subject to the annual appropriation of funds.

Projection of Outstanding Debt Public Facility Bonds and Lease Debt

| | Issue Amt. | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|--|-------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Leases and Other Debt | | | | | | | |
| Beginning Outstanding Debt | | 252,665,000 | 222,190,000 | 198,120,000 | 175,040,000 | 152,335,000 | 136,160,000 |
| Less: Principal Retirement | | 30,475,000 | 24,070,000 | 23,080,000 | 22,705,000 | 16,175,000 | 16,050,000 |
| Ending Outstanding Debt | | 222,190,000 | 198,120,000 | 175,040,000 | 152,335,000 | 136,160,000 | 120,110,000 |
| | | | | | | | |
| Spring 2024 Issue | 166,000,000 | 166,000,000 | 157,700,000 | 149,400,000 | 141,100,000 | 132,800,000 | 124,500,000 |
| Less: Principal Retirement | | 8,300,000 | 8,300,000 | 8,300,000 | 8,300,000 | 8,300,000 | 8,300,000 |
| Ending Outstanding Debt | | 157,700,000 | 149,400,000 | 141,100,000 | 132,800,000 | 124,500,000 | 116,200,000 |
| | | | | | | | |
| Spring 2025 Issue | 121,239,294 | 121,239,294 | 121,239,294 | 115,177,329 | 109,115,364 | 103,053,399 | 96,991,434 |
| Less: Principal Retirement | | - | 6,061,965 | 6,061,965 | 6,061,965 | 6,061,965 | 6,061,965 |
| Ending Outstanding Debt | | 121,239,294 | 115,177,329 | 109,115,364 | 103,053,399 | 96,991,434 | 90,929,469 |
| | | | | | | | |
| Spring 2027 Issue | 176,239,294 | - | - | 176,239,294 | 176,239,294 | 167,427,329 | 158,615,364 |
| Less: Principal Retirement | | - | - | - | 8,811,965 | 8,811,965 | 8,811,965 |
| Ending Outstanding Debt | | - | - | 176,239,294 | 167,427,329 | 158,615,364 | 149,803,399 |
| | | | | | | | |
| Spring 2029 Issue | 146,239,294 | | | - | - | 146,239,294 | 146,239,294 |
| Less: Principal Retirement | | | | | | - | 7,311,965 |
| Ending Outstanding Debt | | | | - | - | 146,239,294 | 138,927,329 |
| Total-Outstanding Leases & Other Debt | | 501,129,294 | 462,697,329 | 601,494,658 | 555,615,728 | 662,506,092 | 615,970,197 |

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 Separate Trading of Registered Interest and Principal of Securities (STRIPS) to fund the cost of acquisition of the development rights. Property owners receive interest payments for 25 years, and at the end of the 25-year period, they receive a lump sum principal payment, and in return, they forego their right for development permanently. Additional information on the ARP is in the Agriculture department section of this document. ARP debt is regarded as self-supporting, and as such this debt is not included in the net debt calculation.

Projection of Outstanding Agricultural Reserve Program Debt

| | Issue Amt. | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|-------------------------------------|------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Agricultural Reserve Program | | | | | | | |
| Beginning Outstanding Debt | | 45,138,160 | 42,695,301 | 40,528,543 | 36,884,154 | 34,870,219 | 33,790,854 |
| Less: Principal Retirement | | 2,442,859 | 2,166,758 | 3,644,389 | 2,013,935 | 1,079,365 | 799,638 |
| Ending Outstanding Debt | | <u>42,695,301</u> | <u>40,528,543</u> | <u>36,884,154</u> | <u>34,870,219</u> | <u>33,790,854</u> | <u>32,991,216</u> |
| | | | | | | | |
| FY 2024 Installment Purchase | - | - | - | - | - | - | - |
| Less: Principal Retirement | | - | - | - | - | - | - |
| Ending Outstanding Debt | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | | | | |
| FY 2025 Installment Purchase | - | - | - | - | - | - | - |
| Less: Principal Retirement | | - | - | - | - | - | - |
| Ending Outstanding Debt | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | | | | |
| FY 2026 Installment Purchase | - | - | - | - | - | - | - |
| Less: Principal Retirement | | - | - | - | - | - | - |
| Ending Outstanding Debt | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | | | | |
| FY 2027 Installment Purchase | - | - | - | - | - | - | - |
| Less: Principal Retirement | | - | - | - | - | - | - |
| Ending Outstanding Debt | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | | | | |
| FY 2028 Installment Purchase | - | - | - | - | - | - | - |
| Less: Principal Retirement | | - | - | - | - | - | - |
| Ending Outstanding Debt | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | | | | |
| Total-Outstanding Debt | | <u>42,695,301</u> | <u>40,528,543</u> | <u>36,884,154</u> | <u>34,870,219</u> | <u>33,790,854</u> | <u>32,991,216</u> |

Computation of Charter Bonding Limits

The City Charter allows Virginia Beach to increase its long-term general obligation debt by \$10 million each year. As part of the Capital Improvement Program, City Council adopts an ordinance to authorize the issuance of General Obligation Bonds (Charter Bonds) equal to the amount of principal retired in a calendar year in addition to the \$10 million as allowed by the City Charter. The table below shows the projected amounts of charter bond authorizations over the next six years as programmed in the CIP. The amount for calendar year 2024 is used for FY 2024-25 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 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Total |
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | |
| | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | |
| 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 | 53,216,108 | 49,592,365 | 50,218,290 | 42,137,782 | 37,672,207 | 34,048,814 | 266,885,566 |
| <u>New Bond Issues</u> | <u>Amount</u> | | | | | | |
| Spring 2024 | 158,000,000 | 7,900,000 | 7,900,000 | 7,900,000 | 7,900,000 | 7,900,000 | 47,400,000 |
| Spring 2025 | - | - | - | - | - | - | - |
| Spring 2026 | 120,820,635 | - | - | 6,041,032 | 6,041,032 | 6,041,032 | 24,164,127 |
| Spring 2027 | - | - | - | - | - | - | - |
| Spring 2028 | 175,820,635 | | | | 8,791,032 | 8,791,032 | 17,582,064 |
| Total Estimated Principal Retirement | 61,116,108 | 57,492,365 | 64,159,322 | 56,078,814 | 60,404,271 | 56,780,878 | 356,031,757 |
| Total Bonding Limits | 71,116,108 | 67,492,365 | 74,159,322 | 66,078,814 | 70,404,271 | 66,780,878 | 416,031,757 |
| Charter Bonds Allocated | 67,876,279 | 72,606,855 | 78,270,594 | 60,689,004 | 67,097,242 | 59,399,300 | 405,939,274 |
| Total Annual Unallocated Bond Authority | 3,239,829 | (5,114,490) | (4,111,272) | 5,389,810 | 3,307,029 | 7,381,578 | - |
| Prior Year Unallocated Bond Authority | 7,382,258 | - | - | - | - | - | 7,382,258 |
| Cumulative Unallocated Bond Authority | 10,622,087 | 5,507,597 | 1,396,325 | 6,786,135 | 10,093,163 | 17,474,741 | |

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 action.

Computation of Charter Bond Limits- Flood Protection

In the General Election held on November 2, 2021, a referendum for \$567.5 million in General Obligation Bonds for design and construction of twenty-one stormwater flood mitigation projects within 10-years for Phase 1 of a multi-phase flood protection program was approved by voters by a wide margin with 72.7% of ballots (110,834) cast voting “yes” versus 27.3% (41,669) voting “no.” As a result, the city can more aggressively address recurrent neighborhood flooding by providing appropriations to previously unfunded, or underfunded projects. This referendum is the first successful referendum since 1988, when voters approved the financing of the Lake Gaston Water Supply Pipeline. The referendum was approved by City Council to be included in its own lock box, separated from General Government charter bond authority. The following calculation displays the bonding capacity of the referendum fund. Currently, no additional bonds beyond the initial \$567.5 million are programmed in the CIP. As the Flood Protection Program continues, this capacity will be used for funding cost increases within projects or maintenance needs. Following the bond sale in the Spring of 2024 the financial model will be updated to ensure adequate capacity exists within the lockbox to support additional debt should the below charter bonds be programmed within the CIP.

Computation of Referendum Bonding Limits

| CALENDAR YEAR RETIREMENT | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Total |
|---|---------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|
| | | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | |
| | | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | |
| <u>New Bond Issues</u> | <u>Amount</u> | | | | | | | |
| Spring 2024 | 118,972,663 | 5,948,633 | 5,948,633 | 5,948,633 | 5,948,633 | 5,948,633 | 5,948,633 | 35,691,799 |
| Spring 2025 | - | - | - | - | - | - | - | - |
| Spring 2026 | 149,998,264 | - | - | 7,499,913 | 7,499,913 | 7,499,913 | 7,499,913 | 29,999,652 |
| Spring 2027 | - | - | - | - | - | - | - | - |
| Spring 2028 | 298,529,073 | | | | | 14,926,454 | 14,926,454 | 29,852,907 |
| Total Estimated Principal Retirement | | 5,948,633 | 5,948,633 | 13,448,546 | 13,448,546 | 28,375,000 | 28,375,000 | 95,544,358 |
| Total Bonding Limits | | 5,948,633 | 5,948,633 | 13,448,546 | 13,448,546 | 28,375,000 | 28,375,000 | 95,544,358 |
| Charter Bonds Allocated | | - | - | - | - | - | - | - |
| Total Annual Unallocated Bond Authority | | 5,948,633 | 5,948,633 | 13,448,546 | 13,448,546 | 28,375,000 | 28,375,000 | - |
| Prior Year Unallocated Bond Authority | | - | - | - | - | - | - | - |
| Cumulative Unallocated Bond Authority | | 5,948,633 | 11,897,266 | 25,345,812 | 38,794,358 | 67,169,358 | 95,544,358 | |

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 action.

1 **AN ORDINANCE MAKING APPROPRIATIONS FOR THE FISCAL YEAR**
2 **BEGINNING JULY 1, 2024 AND ENDING JUNE 30, 2025 FOR**
3 **OPERATIONS**

4 WHEREAS, the City Manager has heretofore submitted an Annual Budget for the City for the fiscal year
5 beginning July 1, 2024, and ending June 30, 2025, and it is necessary to appropriate sufficient funds to cover said
6 budget.
7

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

10 **Sec. 1.** The amounts named aggregating \$3,612,705,688 consisting of \$680,309,310 in inter-fund transfers,
11 \$298,363,808 for internal service funds, and \$2,634,032,570 in operations, are hereby appropriated subject to the
12 conditions hereinafter set forth for the use of departments, and designated funds of the City government, and for
13 the purposes hereinafter mentioned, as set forth in the Annual Operating Budget, which is hereby incorporated by
14 reference, for the fiscal year beginning July 1, 202~~3~~4 and ending June 30, 202~~4~~5 (hereinafter, the "Fiscal Year"), a
15 summary of which is attached to this ordinance as "Attachment A – Appropriations." The City Council elects to fund
16 the Virginia Beach City Public Schools by lump sum appropriation.
17

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

22 **Sec. 3.** With the exception of the funds under the control of the School Board, specifically the funds numbered
23 115, 135, 201, 202, 203, 204, 210, 211, 212, 213, 214, 215, 650, 651, 652, 750, 751, and 752 (hereinafter referred to
24 as "School Board Funds"), the total number of full-time permanent positions shall be the maximum number of
25 positions authorized for the various departments of the City during the Fiscal Year, except for changes or additions
26 authorized by the Council or as hereinafter provided. The City Manager may from time to time increase or decrease
27 the number of part-time or temporary positions provided the aggregate amount expended for such services shall
28 not exceed the respective appropriations made therefore. The City Manager is further authorized to make such
29 rearrangements of positions within and between the departments as may best meet the needs and interests of the
30 City, including changes necessary to implement the employee transition program.
31

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

40 **Sec. 5.** All current and delinquent collections of local taxes shall be credited to the General Fund, Special Service
41 District Funds, Tax Increment Financing Fund or any fund to which City Council has, by ordinance, dedicated a tax
42 levy.
43

44 **Sec. 6.** All balances of the appropriations payable out of each fund of the City Treasury at the close of the Fiscal
45 Year, unless otherwise provided for, are hereby declared to be lapsed into the fund balance of the respective funds,
46 except all appropriations to School Board Funds derived from local public sources, which shall lapse and revert to
47 the Fund Balance of the General Fund, and may be used for the payment of the appropriations that may be made in
48 the appropriation ordinance for the fiscal year beginning July 1, 202~~3~~4. Prior to the expenditure of any sums that
49 have lapsed to the fund balance of any fund, an appropriation by the City Council shall be required.
50

51 **Sec. 7.** All balances of appropriations in each fund which support authorized obligations or are encumbered at the
52 close of the business for the Fiscal Year, are hereby declared to be re-appropriated into the fiscal year beginning July
53 1, 20234, and estimated revenues adjusted accordingly.

54
55 **Sec. 8.** All balances of appropriations and position authorizations attributable to grants or other similar funding
56 mechanism from state or federal sources and trust or gift funds, whose period of expenditure extends beyond the
57 fiscal year ending on June 30, 20234, are hereby declared to be re-appropriated and re-authorized into the Fiscal
58 Year, and estimated revenues adjusted accordingly. The close-out of any grant or similar funding mechanism shall
59 account for all expenditures in such grant, and provided there is any remaining balance in the grant, the portion of
60 the balance attributable to local sources shall revert to the General Fund, special revenue fund, or enterprise fund
61 that provided the local contribution.

62
63 **Sec. 9.** No department or agency for which appropriations are made under the provisions of this ordinance shall
64 exceed the amount of such appropriations except with the consent and approval of the City Council first being
65 obtained. It is expressly provided that the restrictions with respect to the expenditure of the funds appropriated
66 shall apply only to the totals for each Appropriation Unit included in this ordinance and does not apply to Inter-fund
67 Transfers.

68
69 **Sec. 10.** The City Manager or the Director of Budget and Management Services is hereby authorized to approve
70 transfers of appropriations in an amount up to \$250,000 between any Appropriation Units included in this ordinance
71 through the accrual period. The City Manager shall make a monthly report to the City Council of all transfers between
72 \$25,000 and \$250,000. In addition, the City Manager may transfer, in amounts necessary, appropriations from all
73 Reserves for Contingencies except Reserve for Contingencies – Regular, within the intent of the Reserve as approved
74 by City Council.

75
76 **Sec. 11.** The City Manager or the Director of Budget and Management Services is hereby authorized to establish and
77 administer budgeting within Appropriation Units consistent with best management practices, reporting
78 requirements, and the programs and services adopted by the City Council. Consistent with best management
79 practices, the City utilizes a modified accrual system of accounting. Revenues are considered available when
80 collectible either during the current period or after the end of the current period, but in time to pay year-end
81 liabilities. Expenditures are recognized when a transaction or event is expected to draw upon current spendable
82 resources rather than future resources. In practical effect, the modified accrual system allows a window of 45 days
83 wherein the City may accrue back to the immediately preceding fiscal year revenues and expenditures. The City
84 Manager or the Director of Budget and Management Services is further authorized to establish administrative
85 directives to provide additional management oversight and control to ensure the integrity of the City's budget.

86
87 **Sec. 12.** The City Manager or the Director of Budget and Management Services is hereby authorized to change the
88 Estimated Revenues included in this ordinance to reflect expected collections. If the Estimated Revenue in support
89 of an Operating Appropriation Unit declines, the City Manager or the Director of Budget and Management Services
90 is hereby authorized to reduce, subject to any other provision of law, those appropriations to equal the decline in
91 Estimated Revenue. The City Manager shall give prior notice to the City Council of any reduction to total
92 appropriations exceeding \$250,000. The notice to City Council shall identify the basis and amount of the
93 appropriation reduction and the Appropriation Units affected. The accounting records of the City will be maintained
94 in a manner that the total of Estimated Revenue is equal to the total of the Appropriation Units for each of the City's
95 funds. The City Manager or the Director of Budget and Management Services is hereby authorized to transfer any
96 excess appropriations to the Reserve for Contingencies after all anticipated expenditures for which those funds were
97 appropriated have been incurred. Nothing in this section shall be construed as authorizing any reduction to be made
98 in the amount appropriated in this ordinance for the payment of interest or principal on the bonded debt of the City
99 Government.

100
101 **Sec. 13.** ~~The Department of Economic Development is hereby authorized to pay an amount up to \$1,000,000 from~~
102 ~~their FY 20223-234 Operating Budget to the City of Virginia Beach Development Authority, for the purpose of~~
103 ~~pursuing, implementing, and furthering initiatives recommended by the Bio-medical Task Force. The Department of~~

104 Economic Development is hereby authorized to pay an amount up to \$100,000 from their FY 20234-245 Operating
105 Budget to the City of Virginia Beach Development Authority, for the purpose of implementing a District Improvement
106 Plan (DIP), also referred to as Façade Improvement Grants.
107

108 **Sec. 14.** Allowances made from the appropriations made in this ordinance by any or all of the City departments,
109 bureaus, or agencies, to any of their officers and employees for expenses on account of the use by such officers and
110 employees of their personal automobiles in the discharge of their official duties shall follow the Internal Revenue
111 Service standard mileage rates used to calculate the deductible costs of operating an automobile for business,
112 charitable, medical or moving purposes.
113

114 **Sec. 15.** In the event of an emergency and under emergency circumstances wherein the City Council cannot
115 reasonably hold a meeting, the City Manager is authorized to transfer and expend appropriated sums from any
116 budget account to ensure that the emergency is handled as efficiently and expeditiously as possible. Immediately
117 following the expenditure of funds under this provision, and as soon as the City Council can reasonably meet under
118 the existing circumstances, the City Manager shall notify the City Council of the reason for such action, how funds
119 were expended, and present to the City Council for adoption an emergency appropriations ordinance that sets forth
120 what measures are required to ensure that funds are forthwith restored to the appropriate accounts and that the
121 budget is balanced at the end of the fiscal year in which the emergency expenditures occurred.
122

123 An emergency is defined for the purposes of this provision as an event that could not have been reasonably foreseen
124 at the time of the adoption of the budget, and in which (i) an immediate threat to the public health, safety or welfare
125 is involved, such as clean-up after a hurricane, and/or (ii) immediate action is required to protect or preserve public
126 properties.
127

128 **Sec. 16.** All travel expense accounts shall be submitted on forms approved by the Director of Finance and according
129 to regulations approved by the City Council. Each account shall show the dates expenses were incurred or paid;
130 number of miles traveled; method of travel; hotel expenses; meals; and incidental expenses. The Director of Finance
131 is specifically directed to withhold the issuance of checks in the event expense accounts are submitted for “lump-
132 sum” amounts.
133

134 **Sec. 17.** A salary increase totaling approximately 53.5% on the pay date containing July 1, 20234 is hereby provided
135 to both part-time and full-time City employees. Salary increases for full-time City ~~sworn~~ employees on a step plan
136 are to receive a ~~20.5%~~ general increase and a one 3% step increase (approximately 3%). Salary increases for non-
137 step plan City employees shall be provided through a 0.5% general increase and a 3% merit increase based on
138 midpoint of pay range, such merit increase is an increase of approximately 3%.
139

140 **Sec. 18.** A salary increase totaling approximately 53.5% on the pay date containing July 1, 20234 is hereby provided
141 to both part-time and full-time appointees within Constitutional Offices. Salary increases for full-time ~~sworn~~
142 appointees on a step plan are to receive a ~~20.5%~~ general increase and a one 3% step increase (approximately 3%).
143 Salary increases for non-step plan appointees shall be provided through a 0.5% general increase and a 3% merit
144 increase based on midpoint of pay range, such merit increase is an increase of approximately 3%.
145

146 **Sec. 19** A salary increase of 53.5% on the pay date containing July 1, 20234 is hereby provided for the five
147 Constitutional Officers.
148

149 **Sec. 20.** The step or merit increase, as applicable, authorized by section 17 and section 18 of this ordinance is
150 contingent upon a satisfactory performance evaluation.
151

152 **Sec. 21.** Notwithstanding policy or administrative directive addressing bonus providing otherwise, for employees
153 who are at or above the maximum of the pay range for their position classification with a meet expectations
154 performance feedback, a lump sum bonus equal to 3% of the midpoint for their position classification, in lieu of the
155 merit increase or step increase.
156

157 **Sec. ~~212~~**. An amount of up to \$10,000,000 in attrition savings is hereby used to balance the Fiscal Year ~~2023-24~~ 2024-
158 25 Operating Budget. To accomplish this purpose, the City Manager or his designee is hereby authorized to transfer
159 savings in salary or fringe benefit accounts among General Fund supported departments up to \$10,000,000,
160 notwithstanding other budgetary controls outlined in this ordinance. ~~Of this amount, \$500,000 is designated for~~
161 ~~contractual services to provide full-time sworn law enforcement officers in the Virginia Beach Police Department,~~
162 ~~uniformed employees in the Departments of Fire and Emergency Medical Services, and Emergency Communications~~
163 ~~and Citizen Services 911 Telecommunicators access to a team of licensed mental health professionals to coordinate~~
164 ~~support services.~~

165
166 **Sec. ~~223~~**. To ensure proper allocation of health insurance, the City Manager is hereby authorized to transfer health
167 insurance between departments and funds, in any amount notwithstanding other budgetary controls outlined in the
168 ordinance up to the total amount budgeted for health insurance, to ensure health insurance cost align with actual
169 expenditure.

170
171 **Sec. ~~234~~**. In Fiscal Year ~~2023-24~~ 2024-25, to further improve the effectiveness and efficiency of the government in
172 service delivery, the City Council hereby authorizes the City Manager to implement any organizational adjustments
173 not otherwise set out within this budget document that may be necessary to carry out the following initiatives:

- 174 a. ~~The departments throughout the City to improve existing technology services and applications and to~~
175 ~~streamline the implementation of technology applications.~~
176 b. ~~The City Council to secure administrative and clerical staff support and executive assistance.~~
177 e. a. To provide additional staffing for emergency call takers within the Department of Emergency
178 Communications and Citizen Services

179
180 **Sec. ~~24~~**. The FY ~~2023-24~~ Operating Budget reorganized the department of Parks and Recreation between the General
181 Fund and Parks and Recreation Special Revenue Fund in the total amount of \$19,256,204 and 315.72 FTEs. The City
182 Manager or his designee is hereby authorized to make adjustments to this allocation and FTEs to ensure the proper
183 alignment of resources within the department between the two funds notwithstanding other budgetary controls
184 outlined in this ordinance so long as the changes do not place an additional burden on the General Fund.

185
186 **Sec. 25.** Violation of this ordinance may result in disciplinary action by the City Manager against the person or
187 persons responsible for the management of the Appropriation Unit in which the violation occurred.

188
189 **Sec. 26.** This ordinance shall be effective on July 1, ~~2023~~2024.

190
191 **Sec. 27.** If any part of this ordinance is for any reason declared to be unconstitutional or invalid, such decision shall
192 not affect the validity of the remaining parts of this ordinance.

193
194 *Requires an affirmative vote by a majority of all of the members of City Council.*

195
196 Adopted by the Council of the City of Virginia Beach, Virginia, on the _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

Budget and Management Services

City Attorney's Office

CA16440

R-1

March 6, 2024

**City of Virginia Beach, Virginia
 FY 2024-25 Budget Ordinance
 Attachment A- Appropriations**

| | FY 2024-25 Proposed |
|--|------------------------|
| <u>FD100 General Fund</u> | |
| Agriculture | 1,103,606 |
| Board of Equalization | 2,566 |
| Budget and Management Services | 1,585,196 |
| Circuit Court | 1,654,421 |
| City Attorney | 6,083,052 |
| City Auditor | 1,127,387 |
| City Clerk | 742,847 |
| City Manager | 3,834,150 |
| City Real Estate Assessor | 4,106,409 |
| City Treasurer | 8,454,552 |
| Clerk of the Circuit Court | 5,284,832 |
| Commissioner of the Revenue | 6,964,109 |
| Commonwealth's Attorney | 13,772,758 |
| Communications Office | 3,651,592 |
| Community Organization Grants | 498,966 |
| Convention And Visitors Bureau | 11,370,841 |
| Cultural Affairs and Historic Houses | 3,486,641 |
| Debt Service | 63,095,110 |
| Economic Development | 4,783,036 |
| Emergency Communications and Citizen Services | 12,887,357 |
| Emergency Management | 1,930,774 |
| Emergency Medical Services | 24,953,670 |
| Employee Services | 9,127,040 |
| Finance | 7,635,187 |
| Fire | 79,343,100 |
| General District Court | 491,097 |
| Health Department | 4,260,366 |
| Housing And Neighborhood Preservation | 8,515,877 |
| Human Resources | 8,349,635 |
| Human Services | 147,628,739 |
| Independent Financial Services | 194,674 |
| Information Technology | 25,500,746 |
| Juvenile and Domestic Relations District Court | 195,199 |
| Juvenile Probation | 1,416,434 |

| | |
|--|---------------|
| Leases | 3,780,869 |
| Library | 21,675,572 |
| Magistrates | 43,982 |
| City Council | 793,772 |
| Office of Performance & Accountability | 1,010,664 |
| Parks And Recreation | 42,007,267 |
| Planning | 15,816,675 |
| Police | 132,364,680 |
| Public Works | 111,676,505 |
| Regional Participation | 11,895,473 |
| Reserve for Contingencies | 12,750,000 |
| Revenue Reimbursements | 16,611,925 |
| Transfer to Other Funds | 601,781,834 |
| Vehicle Replacements | 6,000,000 |
| Virginia Aquarium | 16,842,171 |
| Voter Registration and Elections | 3,894,159 |
| | 1,472,977,514 |
| General Fund Appropriation Totals | |

FD115 School Operating Fund

| | |
|--|---------------|
| Debt Service | 50,071,611 |
| Public Education | 937,988,437 |
| Transfer to Other Funds | 19,518,825 |
| Reserve for Contingencies | (5,866,750) |
| | 1,001,712,123 |
| School Operating Fund Appropriation Totals | |

FD150 Flood Protection Referendum

| | |
|--|------------|
| Debt Service | 11,897,266 |
| Reserve for Contingencies | 19,379,573 |
| Transfer to Other Funds | 1,000,000 |
| | 32,276,839 |
| Flood Protection Referendum Appropriation Totals | |

FD190 General Debt Fund

| | |
|--|-----------|
| Transfer to Other Funds | 2,442,859 |
| | 2,442,859 |
| General Debt Fund Appropriation Totals | |

FD201 Green Run Collegiate Charter School Operating Fund

| | |
|---|-----------|
| Public Education | 4,873,251 |
| | 4,873,251 |
| Green Run Collegiate Charter School Operating Fund Appropriation Totals | |

FD203 School Instructional Technology Special Revenue Fund

| | |
|---|------------------|
| Public Education | 1,000,000 |
| School Instructional Technology Special Revenue Fund Appropriation Totals | <u>1,000,000</u> |

FD204 School Athletics Special Revenue Fund

| | |
|--|------------------|
| Public Education | 6,367,588 |
| School Athletics Special Revenue Fund Appropriation Totals | <u>6,367,588</u> |

FD210 School Equipment Replacement Special Revenue Fund

| | |
|--|----------------|
| Public Education | 400,000 |
| School Equipment Replacement Special Revenue Fund Appropriation Totals | <u>400,000</u> |

FD211 School Vending Operations Special Revenue Fund

| | |
|---|----------------|
| Public Education | 150,000 |
| School Vending Operations Special Revenue Fund Appropriation Totals | <u>150,000</u> |

FD212 School Communication Tower Technology Special Revenue Fund

| | |
|---|------------------|
| Public Education | 1,000,000 |
| School Communication Tower Technology Special Revenue Fund Appropriation Totals | <u>1,000,000</u> |

FD213 School Cafeterias Special Revenue Fund

| | |
|---|-------------------|
| Public Education | 48,664,697 |
| School Cafeterias Special Revenue Fund Appropriation Totals | <u>48,664,697</u> |

FD214 School Grants Special Revenue Fund

| | |
|---|--------------------|
| Public Education | 135,646,902 |
| School Grants Special Revenue Fund Appropriation Totals | <u>135,646,902</u> |

FD215 School Textbooks Special Revenue Fund

| | |
|--|------------------|
| Public Education | 8,348,681 |
| School Textbooks Special Revenue Fund Appropriation Totals | <u>8,348,681</u> |

FD221 Agriculture Reserve Program Special Revenue Fund

| | |
|---|------------------|
| Agriculture | 259,355 |
| Debt Service | 7,621,510 |
| Reserve for Contingencies | 188,108 |
| Transfer to Other Funds | 1,490,000 |
| Agriculture Reserve Program Special Revenue Fund Appropriation Totals | <u>9,558,973</u> |

FD222 Law Library Special Revenue Fund

| | |
|---|----------------|
| Library | 233,300 |
| Law Library Special Revenue Fund Appropriation Totals | <u>233,300</u> |

FD223 Open Space and Parks Special Revenue Fund

| | |
|--|------------------|
| Debt Service | 1,215,517 |
| Parks And Recreation | 578,613 |
| Reserve for Contingencies | 2,987,324 |
| Transfer to Other Funds | 3,000,000 |
| Open Space and Parks Special Revenue Fund Appropriation Totals | <u>7,781,454</u> |

FD224 Parks And Recreation Special Revenue Fund

| | |
|--|-------------------|
| Debt Service | 3,605,976 |
| Parks And Recreation | 24,106,774 |
| Public Works | 4,097,986 |
| Reserve for Contingencies | 1,131,854 |
| Transfer to Other Funds | 1,574,500 |
| Parks And Recreation Special Revenue Fund Appropriation Totals | <u>34,517,090</u> |

FD230 Commonwealth's Attorney Forfeited Assets Special Revenue Fund

| | |
|--|----------------|
| Commonwealth's Attorney | 100,000 |
| Commonwealth's Attorney Forfeited Assets Special Revenue Fund Appropriation Totals | <u>100,000</u> |

FD231 Police Forfeited Assets Special Revenue Fund

| | |
|---|----------------|
| Police | 100,000 |
| Police Forfeited Assets Special Revenue Fund Appropriation Totals | <u>100,000</u> |

FD233 Sheriff's Office Special Revenue Fund

| | |
|--|-------------------|
| Sheriff and Corrections | 69,284,920 |
| Transfer to Other Funds | 11,600 |
| Sheriff's Office Special Revenue Fund Appropriation Totals | <u>69,296,520</u> |

FD240 Tourism Advertising Program Special Revenue Fund

| | |
|---|-------------------|
| Convention And Visitors Bureau | 17,593,814 |
| Reserve for Contingencies | 47,206 |
| Transfer to Other Funds | 557,083 |
| Tourism Advertising Program Special Revenue Fund Appropriation Totals | <u>18,198,103</u> |

FD241 Tourism Investment Program Special Revenue Fund

| | |
|--|-------------------|
| Convention And Visitors Bureau | 12,686,667 |
| Cultural Affairs and Historic Houses | 520,500 |
| Debt Service | 27,860,574 |
| Emergency Medical Services | 1,073,772 |
| Parks And Recreation | 1,215,004 |
| Public Works | 4,859,543 |
| Regional Participation | 1,415,384 |
| Reserve for Contingencies | 4,033,511 |
| Transfer to Other Funds | 2,465,170 |
| Tourism Investment Program Special Revenue Fund Appropriation Totals | <u>56,130,125</u> |

FD250 Central Business District South Tax Increment Financing Fund

| | |
|---|-------------------|
| Debt Service | 4,122,207 |
| Reserve for Contingencies | 6,708,709 |
| Transfer to Other Funds | 150,000 |
| Central Business District South Tax Increment Financing Fund Appropriation Totals | <u>10,980,916</u> |

FD251 Town Center Special Service District Fund

| | |
|--|------------------|
| Economic Development | 3,087,050 |
| Parks And Recreation | 133,550 |
| Transfer to Other Funds | 645,976 |
| Town Center Special Service District Fund Appropriation Totals | <u>3,866,576</u> |

FD252 Sandbridge Special Service District Fund

| | |
|---|------------------|
| Public Works | 901,369 |
| Reserve for Contingencies | 286,711 |
| Transfer to Other Funds | 4,676,341 |
| Sandbridge Special Service District Fund Appropriation Totals | <u>5,864,421</u> |

FD260 Federal Section 8 Program Special Revenue Fund

| | |
|---|-------------------|
| Housing And Neighborhood Preservation | 28,460,354 |
| Reserve for Contingencies | 67,211 |
| Federal Section 8 Program Special Revenue Fund Appropriation Totals | <u>28,527,565</u> |

FD261 State Rental Assistance Program Special Revenue Fund

| | |
|---|------------------|
| Housing And Neighborhood Preservation | 1,456,382 |
| Reserve for Contingencies | 1,308 |
| State Rental Assistance Program Special Revenue Fund Appropriation Totals | <u>1,457,690</u> |

FD270 Consolidated Grants Special Revenue Fund

| | |
|---|-------------------|
| Commonwealth's Attorney | 530,130 |
| Emergency Communications and Citizen Services | 8,000 |
| Emergency Management | 102,914 |
| Emergency Medical Services | 395,000 |
| Fire | 2,583,414 |
| Housing And Neighborhood Preservation | 3,279,975 |
| Human Services | 3,693,464 |
| Public Works | 20,000 |
| Reserve for Contingencies | 4,299 |
| Transfer to Other Funds | 300,000 |
| Consolidated Grants Special Revenue Fund Appropriation Totals | <u>10,917,196</u> |

FD271 Emergency FEMA Grant Special Revenue Fund

| | |
|--|----------------|
| Fire | 500,000 |
| Emergency FEMA Grant Special Revenue Fund Appropriation Totals | <u>500,000</u> |

FD272 Federal Housing Assistance Grant Special Revenue Fund

| | |
|--|------------------|
| Housing And Neighborhood Preservation | 1,246,745 |
| Reserve for Contingencies | 2,405 |
| Federal Housing Assistance Grant Special Revenue Fund Appropriation Totals | <u>1,249,150</u> |

FD273 Community Development Grant Special Revenue Fund

| | |
|---|------------------|
| Housing And Neighborhood Preservation | 3,664,778 |
| Reserve for Contingencies | 55,304 |
| Community Development Grant Special Revenue Fund Appropriation Totals | <u>3,720,082</u> |

FD310 Old Donation Creek Dredging Special Service District Fund

| | |
|--|----------------|
| Reserve for Contingencies | 83,449 |
| Transfer to Other Funds | 107,594 |
| Old Donation Creek Dredging Special Service District Fund Appropriation Totals | <u>191,043</u> |

FD311 Bayville Creek Dredging Special Service District Fund

| | |
|--|---------------|
| Reserve for Contingencies | 20,861 |
| Transfer to Other Funds | 66,549 |
| Bayville Creek Dredging Special Service District Fund Appropriation Totals | <u>87,410</u> |

FD312 Shadowlawn Dredging Special Service District Fund

| | |
|--|---------------|
| Reserve for Contingencies | 45,055 |
| Shadowlawn Dredging Special Service District Fund Appropriation Totals | <u>45,055</u> |

FD313 Chesapeake Colony Dredging Special Service District Fund

| | |
|---|----------------|
| Reserve for Contingencies | 257,189 |
| Chesapeake Colony Dredging Special Service District Fund Appropriation Totals | <u>257,189</u> |

FD314 Harbour Point Dredging Special Service District Fund

| | |
|---|---------------|
| Reserve for Contingencies | 31,424 |
| Transfer to Other Funds | 55,939 |
| Harbour Point Dredging Special Service District Fund Appropriation Totals | <u>87,363</u> |

FD315 Gills Cove Dredging Special Service District Fund

| | |
|--|---------------|
| Reserve for Contingencies | 45,937 |
| Gills Cove Dredging Special Service District Fund Appropriation Totals | <u>45,937</u> |

FD316 Hurds Cove Dredging Special Service District Fund

| | |
|--|----------------|
| Reserve for Contingencies | 257,341 |
| Hurds Cove Dredging Special Service District Fund Appropriation Totals | <u>257,341</u> |

FD317 Schilling Point Dredging Special Service District Fund

| | |
|---|---------------|
| Reserve for Contingencies | 66,766 |
| Schilling Point Dredging Special Service District Fund Appropriation Totals | <u>66,766</u> |

FD510 Water And Sewer Enterprise Fund

| | |
|--|--------------------|
| Debt Service | 18,990,644 |
| Public Utilities | 109,001,010 |
| Reserve for Contingencies | 4,194,362 |
| Transfer to Other Funds | 17,357,647 |
| Water And Sewer Enterprise Fund Appropriation Totals | <u>149,543,663</u> |

FD520 Storm Water Utility Enterprise Fund

| | |
|--|-------------------|
| Debt Service | 12,127,631 |
| Public Works | 16,905,885 |
| Reserve for Contingencies | 600,263 |
| Transfer to Other Funds | 19,642,419 |
| Storm Water Utility Enterprise Fund Appropriation Totals | <u>49,276,198</u> |

FD530 Waste Management Enterprise Fund

| | |
|---|-------------------|
| Public Works | 48,314,356 |
| Reserve for Contingencies | 503,969 |
| Transfer to Other Funds | 2,623,434 |
| Waste Management Enterprise Fund Appropriation Totals | <u>51,441,759</u> |

FD540 Parking Enterprise Fund

| | |
|--|------------------|
| Public Works | 5,461,951 |
| Debt Service | 652,281 |
| Reserve for Contingencies | 14,530 |
| Transfer to Other Funds | 841,540 |
| Parking Enterprise Fund Appropriation Totals | <u>6,970,302</u> |

FD600 City Garage Internal Service Fund

| | |
|--|-------------------|
| Public Works | 19,856,632 |
| Reserve for Contingencies | 331,667 |
| City Garage Internal Service Fund Appropriation Totals | <u>20,188,299</u> |

FD601 Fuels Internal Service Fund

| | |
|--|------------------|
| Public Works | 8,943,150 |
| Fuels Internal Service Fund Appropriation Totals | <u>8,943,150</u> |

FD602 Risk Management Internal Service Fund

| | |
|--|-------------------|
| Finance | 20,977,597 |
| Reserve for Contingencies | 6,142 |
| Risk Management Internal Service Fund Appropriation Totals | <u>20,983,739</u> |

FD603 Landscaping Internal Service Fund

| | |
|--|------------------|
| Parks And Recreation | 5,769,741 |
| Reserve for Contingencies | 154,298 |
| Landscaping Internal Service Fund Appropriation Totals | <u>5,924,039</u> |

FD605 Telecommunications Internal Service Fund

| | |
|---|------------------|
| Information Technology | 3,265,526 |
| Reserve for Contingencies | 28,003 |
| Telecommunications Internal Service Fund Appropriation Totals | <u>3,293,529</u> |

FD606 Information Technology ISF

| | |
|---|-------------------|
| Information Technology | 22,681,788 |
| Reserve for Contingencies | 50,232 |
| Information Technology ISF Appropriation Totals | <u>22,732,020</u> |

FD650 School Risk Management Internal Service Fund

| | |
|---|-------------------|
| Public Education | 15,379,958 |
| School Risk Management Internal Service Fund Appropriation Totals | <u>15,379,958</u> |

FD651 School Flexible Benefits Forfeiture Internal Service Fund

| | |
|--|----------------|
| Public Education | 100,000 |
| School Flexible Benefits Forfeiture Internal Service Fund Appropriation Totals | <u>100,000</u> |

FD652 School Health Insurance Internal Service Fund

| | |
|--|--------------------|
| Public Education | 200,819,074 |
| School Health Insurance Internal Service Fund Appropriation Totals | <u>200,819,074</u> |

FD801 City Beautification Fund

| | |
|---|----------------|
| Parks And Recreation | 100,000 |
| City Beautification Fund Appropriation Totals | <u>100,000</u> |

FD811 Mayor's Committee Trust Fund

| | |
|---|--------------|
| Non-Departmental | 1,248 |
| Mayor's Committee Trust Fund Appropriation Totals | <u>1,248</u> |

FD814 Parks And Recreation Gift Fund

| | |
|---|---------------|
| Parks And Recreation | 84,000 |
| Parks And Recreation Gift Fund Appropriation Totals | <u>84,000</u> |

FD817 Social Services Gift Fund

| | |
|--|---------------|
| Human Services | 46,710 |
| Social Services Gift Fund Appropriation Totals | <u>46,710</u> |

FD818 Virginia Beach Library Gift Fund

| | |
|---|----------------|
| Library | 112,000 |
| Virginia Beach Library Gift Fund Appropriation Totals | <u>112,000</u> |

FD822 Tree Mitigation

| | |
|--------------------------------------|----------------|
| Parks And Recreation | 394,890 |
| Tree Mitigation Appropriation Totals | <u>394,890</u> |

FD400 General Government Capital Projects Fund

| | |
|---|-------------------|
| Pay-As-You-Go Capital Projects | 45,952,043 |
| General Government Capital Projects Fund Appropriation Totals | <u>45,952,043</u> |

FD410 Water and Sewer Capital Projects Fund

| | |
|--|------------------|
| Pay-As-You-Go Capital Projects | 8,000,000 |
| Water and Sewer Capital Projects Fund Appropriation Totals | <u>8,000,000</u> |

FD420 Stormwater Capital Projects Fund

| | |
|---|-------------------|
| Pay-As-You-Go Capital Projects | 18,521,348 |
| Stormwater Capital Projects Fund Appropriation Totals | <u>18,521,348</u> |

FD430 Flood Protection Capital Projects Fund

| | |
|---|------------------|
| Pay-As-You-Go Capital Projects | 1,000,000 |
| Flood Protection Capital Projects Fund Appropriation Totals | <u>1,000,000</u> |

FD480 Schools Capital Projects Fund

| | |
|--|------------------|
| Pay-As-You-Go Capital Projects | 3,000,000 |
| Schools Capital Projects Fund Appropriation Totals | <u>3,000,000</u> |

| | |
|----------------------------------|------------------------------------|
| Total Appropriations | 3,612,705,688 |
| Less Internal Services Funds | 298,363,808 |
| Less Interfund Transfers | <u>680,309,310</u> |
| Net Budget Appropriations | <u><u>2,634,032,570</u></u> |

**City of Virginia Beach, Virginia
FY 2024-25 Budget Ordinance
Attachment B- Revenues**

| | FY 2024-25 Proposed |
|--|------------------------|
| <u>FD100 General Fund</u> | |
| Charges for Services | 54,694,930 |
| Utility Taxes | 42,327,354 |
| Permits, Fees, and Regulatory Licenses | 9,720,511 |
| Fines and Forfeitures | 1,351,833 |
| Miscellaneous Revenue | 8,362,741 |
| Personal Property | 206,725,457 |
| General Sales Tax | 93,281,986 |
| Hotel Room Tax | 11,477,696 |
| Business License | 62,625,915 |
| Real Estate | 700,281,996 |
| Cigarette Tax | 6,993,331 |
| Other Taxes | 13,355,795 |
| From the Use of Money and Property | 13,340,575 |
| Automobile License | 10,639,555 |
| Restaurant Meal Tax | 62,047,929 |
| Revenue from the Commonwealth | 134,299,832 |
| Specific Fund Reserves | 2,470,562 |
| Transfer In | 13,487,242 |
| Revenue from the Federal Government | 25,492,274 |
| FD100 Revenue Total | 1,472,977,514 |
| <u>FD115 School Operating Fund</u> | |
| Miscellaneous Revenue | 4,457,538 |
| Revenue from the Commonwealth | 455,947,171 |
| Transfer In | 526,563,307 |
| Revenue from the Federal Government | 14,744,107 |
| FD115 Revenue Total | 1,001,712,123 |
| <u>FD150 Flood Protection Referendum</u> | |
| Real Estate | 32,276,839 |
| FD150 Revenue Total | 32,276,839 |
| <u>FD190 General Debt Fund</u> | |
| Specific Fund Reserves | 2,442,859 |
| FD190 Revenue Total | 2,442,859 |
| <u>FD201 Green Run Collegiate Charter School Operating Fund</u> | |
| Transfer In | 4,873,251 |
| FD201 Revenue Total | 4,873,251 |
| <u>FD203 School Instructional Technology Special Revenue Fund</u> | |
| Specific Fund Reserves | 1,000,000 |
| FD203 Revenue Total | 1,000,000 |

FD204 School Athletics Special Revenue Fund

| | |
|------------------------------------|------------------|
| Charges for Services | 65,000 |
| Miscellaneous Revenue | 489,000 |
| From the Use of Money and Property | 5,000 |
| Transfer In | 5,808,588 |
| FD204 Revenue Total | 6,367,588 |

FD210 School Equipment Replacement Special Revenue Fund

| | |
|----------------------------|----------------|
| Specific Fund Reserves | 400,000 |
| FD210 Revenue Total | 400,000 |

FD211 School Vending Operations Special Revenue Fund

| | |
|----------------------------|----------------|
| Charges for Services | 144,000 |
| Specific Fund Reserves | 6,000 |
| FD211 Revenue Total | 150,000 |

FD212 School Communication Tower Technology Special Revenue Fund

| | |
|------------------------------------|------------------|
| From the Use of Money and Property | 628,000 |
| Specific Fund Reserves | 372,000 |
| FD212 Revenue Total | 1,000,000 |

FD213 School Cafeterias Special Revenue Fund

| | |
|-------------------------------------|-------------------|
| Charges for Services | 13,850,890 |
| Revenue from the Commonwealth | 655,000 |
| Specific Fund Reserves | 4,690,773 |
| Revenue from the Federal Government | 29,468,034 |
| FD213 Revenue Total | 48,664,697 |

FD214 School Grants Special Revenue Fund

| | |
|-------------------------------------|--------------------|
| Miscellaneous Revenue | 14,996,630 |
| Revenue from the Commonwealth | 40,460,106 |
| Transfer In | 5,836,986 |
| Revenue from the Federal Government | 74,353,180 |
| FD214 Revenue Total | 135,646,902 |

FD215 School Textbooks Special Revenue Fund

| | |
|-------------------------------|------------------|
| Miscellaneous Revenue | 60,225 |
| Revenue from the Commonwealth | 5,881,957 |
| Specific Fund Reserves | 2,406,499 |
| FD215 Revenue Total | 8,348,681 |

FD221 Agriculture Reserve Program Special Revenue Fund

| | |
|------------------------------------|------------------|
| Real Estate | 7,085,160 |
| From the Use of Money and Property | 30,954 |
| Transfer In | 2,442,859 |
| FD221 Revenue Total | 9,558,973 |

FD222 Law Library Special Revenue Fund

| | |
|------------------------------------|----------------|
| Charges for Services | 169,305 |
| From the Use of Money and Property | 6,293 |
| Transfer In | 57,702 |
| FD222 Revenue Total | 233,300 |

FD223 Open Space and Parks Special Revenue Fund

| | |
|----------------------------|------------------|
| Restaurant Meal Tax | 7,781,454 |
| FD223 Revenue Total | 7,781,454 |

FD224 Parks And Recreation Special Revenue Fund

| | |
|------------------------------------|-------------------|
| Charges for Services | 6,882,151 |
| Real Estate | 27,293,610 |
| From the Use of Money and Property | 341,329 |
| FD224 Revenue Total | 34,517,090 |

FD230 Commonwealth's Attorney Forfeited Assets Special Revenue Fund

| | |
|----------------------------|----------------|
| Specific Fund Reserves | 100,000 |
| FD230 Revenue Total | 100,000 |

FD231 Police Forfeited Assets Special Revenue Fund

| | |
|-------------------------------|----------------|
| Revenue from the Commonwealth | 100,000 |
| FD231 Revenue Total | 100,000 |

FD233 Sheriff's Office Special Revenue Fund

| | |
|--|-------------------|
| Charges for Services | 4,976,608 |
| Permits, Fees, and Regulatory Licenses | 4,000 |
| Miscellaneous Revenue | 3,000 |
| From the Use of Money and Property | 14,000 |
| Revenue from the Commonwealth | 23,239,133 |
| Transfer In | 40,909,779 |
| Revenue from the Federal Government | 150,000 |
| FD233 Revenue Total | 69,296,520 |

FD240 Tourism Advertising Program Special Revenue Fund

| | |
|------------------------------------|-------------------|
| Charges for Services | 4,000 |
| Hotel Room Tax | 8,384,307 |
| From the Use of Money and Property | 49,100 |
| Restaurant Meal Tax | 8,842,561 |
| Specific Fund Reserves | 918,135 |
| FD240 Revenue Total | 18,198,103 |

FD241 Tourism Investment Program Special Revenue Fund

| | |
|--|-------------------|
| Permits, Fees, and Regulatory Licenses | 1,778 |
| Hotel Room Tax | 27,137,471 |
| Cigarette Tax | 499,524 |
| Amusement Tax | 8,067,622 |
| From the Use of Money and Property | 891,250 |
| Restaurant Meal Tax | 18,746,230 |
| Specific Fund Reserves | 786,250 |
| FD241 Revenue Total | 56,130,125 |

FD250 Central Business District South Tax Increment Financing Fund

| | |
|------------------------------------|-------------------|
| Hotel Room Tax | 500,000 |
| Real Estate | 10,478,916 |
| From the Use of Money and Property | 2,000 |
| FD250 Revenue Total | 10,980,916 |

FD251 Town Center Special Service District Fund

| | |
|------------------------------------|------------------|
| Charges for Services | 194,300 |
| Real Estate | 2,605,529 |
| From the Use of Money and Property | 365,500 |
| Specific Fund Reserves | 551,247 |
| Transfer In | 150,000 |
| FD251 Revenue Total | 3,866,576 |

FD252 Sandbridge Special Service District Fund

| | |
|------------------------------------|------------------|
| Hotel Room Tax | 5,666,369 |
| Real Estate | 195,035 |
| From the Use of Money and Property | 3,017 |
| FD252 Revenue Total | 5,864,421 |

FD260 Federal Section 8 Program Special Revenue Fund

| | |
|-------------------------------------|-------------------|
| Charges for Services | 2,455,000 |
| Specific Fund Reserves | 205,720 |
| Transfer In | 76,000 |
| Revenue from the Federal Government | 25,790,845 |
| FD260 Revenue Total | 28,527,565 |

FD261 State Rental Assistance Program Special Revenue Fund

| | |
|-------------------------------|------------------|
| Revenue from the Commonwealth | 1,457,690 |
| FD261 Revenue Total | 1,457,690 |

FD270 Consolidated Grants Special Revenue Fund

| | |
|-------------------------------------|-------------------|
| Charges for Services | 503,085 |
| Revenue from the Commonwealth | 5,048,963 |
| Transfer In | 757,058 |
| Revenue from the Federal Government | 4,608,090 |
| FD270 Revenue Total | 10,917,196 |

FD271 Emergency FEMA Grant Special Revenue Fund

| | |
|-------------------------------------|----------------|
| Revenue from the Federal Government | 500,000 |
| FD271 Revenue Total | 500,000 |

FD272 Federal Housing Assistance Grant Special Revenue Fund

| | |
|-------------------------------------|------------------|
| Other Financing Sources | 75,000 |
| Revenue from the Federal Government | 1,174,150 |
| FD272 Revenue Total | 1,249,150 |

FD273 Community Development Grant Special Revenue Fund

| | |
|-------------------------------------|------------------|
| Transfer In | 435,513 |
| Other Financing Sources | 75,000 |
| Revenue from the Federal Government | 3,209,569 |
| FD273 Revenue Total | 3,720,082 |

FD310 Old Donation Creek Dredging Special Service District Fund

| | |
|----------------------------|----------------|
| Real Estate | 87,410 |
| Specific Fund Reserves | 103,633 |
| FD310 Revenue Total | 191,043 |

FD311 Bayville Creek Dredging Special Service District Fund

| | |
|----------------------------|---------------|
| Real Estate | 87,410 |
| FD311 Revenue Total | 87,410 |

FD312 Shadowlawn Dredging Special Service District Fund

| | |
|---------------------|---------------|
| Real Estate | 45,055 |
| FD312 Revenue Total | <u>45,055</u> |

FD313 Chesapeake Colony Dredging Special Service District Fund

| | |
|---------------------|----------------|
| Real Estate | 257,189 |
| FD313 Revenue Total | <u>257,189</u> |

FD314 Harbour Point Dredging Special Service District Fund

| | |
|------------------------|---------------|
| Real Estate | 32,233 |
| Specific Fund Reserves | 55,130 |
| FD314 Revenue Total | <u>87,363</u> |

FD315 Gills Cove Dredging Special Service District Fund

| | |
|---------------------|---------------|
| Real Estate | 45,937 |
| FD315 Revenue Total | <u>45,937</u> |

FD316 Hurds Cove Dredging Special Service District Fund

| | |
|---------------------|----------------|
| Real Estate | 257,341 |
| FD316 Revenue Total | <u>257,341</u> |

FD317 Schilling Point Dredging Special Service District Fund

| | |
|---------------------|---------------|
| Real Estate | 66,766 |
| FD317 Revenue Total | <u>66,766</u> |

FD510 Water And Sewer Enterprise Fund

| | |
|--|--------------------|
| Charges for Services | 142,159,775 |
| Permits, Fees, and Regulatory Licenses | 5,430 |
| Miscellaneous Revenue | 201,471 |
| From the Use of Money and Property | 2,051,445 |
| Transfer In | 2,365,634 |
| Other Financing Sources | 2,759,908 |
| FD510 Revenue Total | <u>149,543,663</u> |

FD520 Storm Water Utility Enterprise Fund

| | |
|------------------------------------|-------------------|
| Charges for Services | 45,919,210 |
| Miscellaneous Revenue | 4,000 |
| From the Use of Money and Property | 600,000 |
| Specific Fund Reserves | 2,752,988 |
| FD520 Revenue Total | <u>49,276,198</u> |

FD530 Waste Management Enterprise Fund

| | |
|--|-------------------|
| Charges for Services | 46,456,207 |
| Permits, Fees, and Regulatory Licenses | 125,000 |
| Miscellaneous Revenue | 800,000 |
| From the Use of Money and Property | 275,000 |
| Revenue from the Commonwealth | 40,000 |
| Specific Fund Reserves | 3,745,552 |
| FD530 Revenue Total | <u>51,441,759</u> |

FD540 Parking Enterprise Fund

| | |
|--|------------------|
| Charges for Services | 5,625,000 |
| Permits, Fees, and Regulatory Licenses | 107,000 |
| Fines and Forfeitures | 500,000 |
| From the Use of Money and Property | 80,000 |
| Specific Fund Reserves | 586,302 |
| Transfer In | 72,000 |
| FD540 Revenue Total | 6,970,302 |

FD600 City Garage Internal Service Fund

| | |
|------------------------------------|-------------------|
| Charges for Services | 19,996,564 |
| Miscellaneous Revenue | 109,000 |
| From the Use of Money and Property | 82,735 |
| FD600 Revenue Total | 20,188,299 |

FD601 Fuels Internal Service Fund

| | |
|------------------------------------|------------------|
| Charges for Services | 8,888,150 |
| From the Use of Money and Property | 55,000 |
| FD601 Revenue Total | 8,943,150 |

FD602 Risk Management Internal Service Fund

| | |
|------------------------------------|-------------------|
| Charges for Services | 18,757,799 |
| From the Use of Money and Property | 248,259 |
| Specific Fund Reserves | 1,977,681 |
| FD602 Revenue Total | 20,983,739 |

FD603 Landscaping Internal Service Fund

| | |
|----------------------------|------------------|
| Charges for Services | 5,924,039 |
| FD603 Revenue Total | 5,924,039 |

FD605 Telecommunications Internal Service Fund

| | |
|------------------------------------|------------------|
| Charges for Services | 3,276,898 |
| From the Use of Money and Property | 15,000 |
| Specific Fund Reserves | 1,631 |
| FD605 Revenue Total | 3,293,529 |

FD606 Information Technology ISF

| | |
|----------------------------|-------------------|
| Charges for Services | 22,732,020 |
| FD606 Revenue Total | 22,732,020 |

FD650 School Risk Management Internal Service Fund

| | |
|----------------------------|-------------------|
| Charges for Services | 8,995,919 |
| Specific Fund Reserves | 6,384,039 |
| FD650 Revenue Total | 15,379,958 |

FD651 School Flexible Benefits Forfeiture Internal Service Fund

| | |
|----------------------------|----------------|
| Specific Fund Reserves | 100,000 |
| FD651 Revenue Total | 100,000 |

FD652 School Health Insurance Internal Service Fund

| | |
|----------------------------|--------------------|
| Charges for Services | 180,819,074 |
| Specific Fund Reserves | 20,000,000 |
| FD652 Revenue Total | 200,819,074 |

FD801 City Beautification Fund

| | |
|----------------------------|----------------|
| Charges for Services | 100,000 |
| FD801 Revenue Total | 100,000 |

FD811 Mayor's Committee Trust Fund

| | |
|------------------------|--------------|
| Specific Fund Reserves | 1,248 |
| FD811 Revenue Total | <u>1,248</u> |

FD814 Parks And Recreation Gift Fund

| | |
|-----------------------|---------------|
| Miscellaneous Revenue | 84,000 |
| FD814 Revenue Total | <u>84,000</u> |

FD817 Social Services Gift Fund

| | |
|------------------------|---------------|
| Specific Fund Reserves | 46,710 |
| FD817 Revenue Total | <u>46,710</u> |

FD818 Virginia Beach Library Gift Fund

| | |
|-----------------------|----------------|
| Miscellaneous Revenue | 112,000 |
| FD818 Revenue Total | <u>112,000</u> |

FD822 Tree Mitigation

| | |
|----------------------|----------------|
| Charges for Services | 394,890 |
| FD822 Revenue Total | <u>394,890</u> |

FD400 General Government Capital Projects Fund

| | |
|---------------------|-------------------|
| Transfer In | 45,952,043 |
| FD400 Revenue Total | <u>45,952,043</u> |

FD410 Water and Sewer Capital Projects Fund

| | |
|---------------------|------------------|
| Transfer In | 8,000,000 |
| FD410 Revenue Total | <u>8,000,000</u> |

FD420 Stormwater Capital Projects Fund

| | |
|---------------------|-------------------|
| Transfer In | 18,521,348 |
| FD420 Revenue Total | <u>18,521,348</u> |

FD430 Flood Protection Capital Projects Fund

| | |
|---------------------|------------------|
| Transfer In | 1,000,000 |
| FD430 Revenue Total | <u>1,000,000</u> |

FD480 Schools Capital Projects Fund

| | |
|---------------------|------------------|
| Transfer In | 3,000,000 |
| FD480 Revenue Total | <u>3,000,000</u> |

| | |
|------------------------------|------------------------------------|
| Total Budgeted Revenues | 3,612,705,688 |
| Less Internal Service Funds | 298,363,808 |
| Less Internal Fund Transfers | 680,309,310 |
| NET BUDGET REVENUES | <u><u>2,634,032,570</u></u> |

**AN ORDINANCE ESTABLISHING THE TAX LEVY ON
REAL ESTATE FOR FISCAL YEAR 2025**

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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 ~~2024~~2025 taxes for general purposes on all real estate, including all separate classifications of real estate set forth in the Code of Virginia, not exempt from taxation and not otherwise provided for in this ordinance, at the rate of ~~ninety-nine cents (\$0.99)~~ ninety-seven cents (\$0.97) 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.

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 ~~2024~~ 2025, 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 Section 58.1-3661 of the Code of Virginia as “Certified Solar Energy Equipment, Facilities or Devices,” or “Certified Recycling Equipment, Facilities or Devices,” (c) defined by Section 58.1-3664 of the Code of Virginia as an “Environmental Restoration Site,” (d) improved to control erosion as defined by § 58.1-3665 of the Code of Virginia, or (e) qualifying as wetlands and riparian buffers as described by § 58.1-3666 of the Code of Virginia, not exempt from taxation, at a rate of ~~ninety-nine cents (\$0.99)~~ ninety-seven cents (\$0.97) 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 Property Owned by Certain Surviving Spouses.

There shall be levied and collected for general purposes for the fiscal year ~~2024~~ 2025 taxes on all real estate that has been separately classified pursuant to Section 58.1-3228.2 of the Code of Virginia, at a rate of one millionth of one cent (\$0.000001) on each one hundred dollars of assessed valuation thereof. The application for such tax classification shall be made to the Commissioner of the Revenue in the manner provided by City Code Section 35-42, and the application for fiscal year ~~2024~~ 2025 shall be received prior to June 30, ~~2023~~4. In the event of a mid-year change in qualification or residence, the Commissioner of the Revenue shall use the same proration methodology as is used for the surviving spouse of servicemember killed in action tax exemption program. The applicant shall provide notice to the Commissioner of the Revenue if he or she remarries or moves from such residence.

Sec. 4. Amount of Levy on Real Estate Within the Sandbridge Special Service District.

There shall be levied and collected for fiscal year ~~2024~~2025, 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 one cent (\$0.01) 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.

51 **Sec. 5. Amount of Levy on Real Estate Within the Town Center Special Service District.**

52 For the special purpose of operating and maintaining the parking garage and providing enhanced services
53 for the plaza and public spaces within the boundaries of the service district at the Town Center, as well as other
54 additional services authorized by § 15.2-2403 of the Code of Virginia, there shall be levied and collected for fiscal
55 year ~~2024~~ 2025, taxes on all real estate within the Town Center Special Service District, not exempt from taxation,
56 at the rate of forty-five cents (\$0.45) on each one hundred dollars (\$100) of assessed value thereof. This real estate
57 tax rate shall be in addition to the real estate tax set forth in Section 1 of this ordinance. For real property that
58 qualifies for Land Use Assessment, pursuant to Division 2 of Chapter 35 of the City Code, or Exemption or Freeze for
59 Elderly and Disabled Persons, pursuant to Division 3 of Chapter 35 of the City Code, this real estate tax rate shall be
60 applied in the same manner as the real estate tax rate set forth in Section 1 of this ordinance. The real estate tax
61 rate imposed herein shall be applied on the basis of one hundred percentum of the fair market value of such real
62 property, except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of the
63 Code of Virginia.

64
65 **Sec. 6. Amount of Levy on “Energy-Efficient Buildings”.**

66 In accordance with Section 58.1-3221.2 of the Code of Virginia and any relevant section of the City Code,
67 there shall be levied and collected for general purposes for the fiscal year ~~2024~~ 2025, taxes on all real estate that
68 has been classified as an energy efficient building, not exempt from taxation, at a rate of ~~eighty-four cents (\$0.84)~~
69 eighty-two cents (\$0.82) on each one hundred dollars of assessed valuation thereof. The real property tax rate
70 imposed in this section shall be applied on the basis of one hundred percentum of fair market value of such real
71 property except for public service property, which shall be on the basis as provided in Section 58.1-2604 of the Code
72 of Virginia.

73
74 **Sec. 7. Amount of Levy on Properties Listed in the Virginia Landmarks Register.**

75 In accordance with Section 58.1-3221.5 of the Code of Virginia and any relevant section of the City Code,
76 there shall be levied and collected for general purposes for the fiscal year ~~2024~~ 2025, taxes on buildings that are
77 individually listed on the Virginia Landmarks Register, not including the real estate or land on which the building is
78 located, so long as the building is maintained in a condition such that it retains the characteristics for which it was
79 listed on the Virginia Landmarks Register at a rate of ~~fifty-two cents (\$0.52)~~ fifty cents (\$0.50) on each one hundred
80 dollars of assessed valuation thereof. The real property tax rate imposed in this section shall be applied on the basis
81 of one hundred percentum of fair market value of such real property except for public service property, which shall
82 be on the basis as provided by Section 58.1-2604 of the Code of Virginia.

83
84 **Sec. 8. Amount of Levy on Real Estate Within the Various Dredging Special Service Districts.**

85 There shall be levied and collected for fiscal year ~~2024~~ 2025, taxes for the special purpose of providing
86 neighborhood channel dredging of creeks and rivers to maintain existing uses on all real estate within each special
87 service district listed below:

- 88 a. Old Donation Special Service District, not exempt from taxation, at the rate of eighteen and four-tenths
89 cents (\$0.184) on each one hundred dollars (\$100) of assessed value thereof.
- 90 b. Bayville Creek Special Service District, not exempt from taxation, at the rate of forty seven and two-
91 tenths cents (\$0.472) on each one hundred dollars (\$100) of assessed value thereof.
- 92 c. Shadowlawn Special Service District, not exempt from taxation, at the rate of fifteen and ninety-four
93 hundredths cents (\$0.1594) on each one hundred dollars (\$100) of assessed value thereof.
- 94 d. Chesopeian Special Service District, not exempt from taxation, at the rate of twenty nine and thirteen
95 hundredths cents (\$0.2913) on each one hundred dollars (\$100) of assessed value thereof.
- 96 e. Harbour Point Special Service District, not exempt from taxation, at the rate of twelve cents (\$0.12) on
97 each one hundred dollars (\$100) of assessed value thereof.
- 98 f. Gills Cove Special Service District, not exempt from taxation, at the rate of ~~six and three tenths cents~~
99 ~~(\$0.063)~~ sixteen cents (\$0.16) on each one hundred dollars (\$100) of assessed value thereof.
- 100 g. Hurd’s Cove Special Service District, not exempt from taxation, at the rate of forty-three and eight-
101 tenths cents (\$0.438) on each one hundred dollars (\$100) of assessed value thereof.
- 102 h. Schilling’s Point Special Service District, not exempt from taxation, at the rate of ~~forty and four tenths~~
103 ~~cents (\$0.404)~~ fifty-eight cents (\$0.58) on each one hundred dollars (\$100) of assessed value thereof.

104
105 This real estate tax rate shall be in addition to the real estate tax rate set forth in Section 1 of this ordinance. Except
106 as provided explicitly in Chapter 35.3 of the Code of the City of Virginia Beach, this tax rate shall apply without
107 reduction to any properties subject to ad valorem taxes including those properties enrolled in the Exemption or
108 Freeze for Elderly and Disabled Persons, City Code §§ 35-61, et seq. As set forth in section 15.2-2403(6) of the Code
109 of Virginia, written consent is required to apply this tax rate to the full assessed value of properties subject to special
110 use value assessment. The real estate tax rate imposed herein shall be applied on the basis of one hundred
111 percentum (100%) of the fair market value of such real property except for public service real property, which shall
112 be on the basis as provided in Section 58.1-2604 of the Code of Virginia.

113
114 **Sec. 9 Severability.**

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

117
118 **Sec. 10 Effective Date.**

119 The effective date of this ordinance shall be July 1, 20234.

120
121 *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 _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

Budget and Management Services

City Attorney's Office

CA16441
R-1
March 6, 2024

1 **AN ORDINANCE ESTABLISHING THE TAX LEVY ON PERSONAL**
2 **PROPERTY AND MACHINERY AND TOOLS FOR THE CALENDAR**
3 **YEAR 2025**

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

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

7 In accordance with Chapter 35 of Title 58.1 of the Code of Virginia, taxes shall be levied and collected for
8 general purposes for the calendar year 2024~~5~~ on all tangible personal property, including all separate classifications
9 of personal property set forth in the Code of Virginia, not exempt from taxation and not otherwise provided for in
10 this ordinance, at the rate of four dollars (\$4.00) on each one hundred dollars (\$100) assessed valuation thereof.

11
12 **Sec. 2. Personal Property Tax Relief.**

13 As required by § 58.1-3523 of the Code of Virginia, qualifying vehicles (as defined by § 58.1-3523), not
14 otherwise exempted from taxation in this ordinance or by law, shall be subject to the following:

15 1. Any qualifying-vehicle with a total assessed value of \$1,000 or less will be levied no tax, reflecting a
16 reimbursement of 100% Personal Property Tax Relief Act.

17 2. Any qualifying vehicle with an assessed value of between \$1,001 and \$20,000 will be levied 55.4%
18 of the computed tax based on the total assessed value of the vehicle. Reimbursement is expected from the
19 Commonwealth under the Personal Property Tax Relief Act equal to the remaining 44.6% of the computed tax on
20 the first \$20,000 of assessed value.

21 3. Any qualifying vehicle with an assessed value of over \$20,000 will be levied 55.4% of the computed
22 tax based on the first \$20,000 of assessed value and 100% of the computed tax based on the assessed value in excess
23 of \$20,000. Reimbursement is expected from the Commonwealth under the Personal Property Tax Relief Act equal
24 to the remaining 44.6% of the computed tax on the first \$20,000 of assessed value.

25
26 **Sec. 3. Amount of Levy on Certain Classifications of Tangible Personal Property**

27 In accordance with Chapter 35 of Title 58.1 of the Code of Virginia, taxes shall be levied and collected for
28 general purposes for the calendar year 2024~~5~~ on the certain classifications of tangible personal property set forth
29 below at the rate of four dollars (\$4.00) on each one hundred dollars (\$100) assessed valuation thereof.

- 30 a. heavy construction equipment as described in § 58.1-3506 (A) (8) of the Code of Virginia;
- 31 b. computer equipment as described in § 58.1-3506 (A) (11) of the Code of Virginia;
- 32 c. tangible personal property as described in (a) § 58.1-3506 of the Code of Virginia as “certified pollution
33 control equipment and facilities” and (b) § 58.1-3661 of the Code of Virginia as “certified solar equipment, facilities
34 or devices and certified recycling equipment, facilities or devices”;
- 35 d. furniture, office, and maintenance equipment as described in § 58.1-3506 (A) (24) of the Code of
36 Virginia;
- 37 e. all tangible personal property employed in a trade or business other than described in subdivisions A 1
38 through A 18, except for subdivision A 17, of § 58.1-3503 as described in § 58.1-3506 (A) (26) of the Code of Virginia;
- 39 f. programmable computer equipment and peripherals employed in a trade or business ad described in
40 § 58.1-3506 (A) (27) of the Code of Virginia;
- 41 g. tangible personal property used in the provision of internet service as described in § 58-1-3506 (A) (31)
42 of the Code of Virginia;
- 43 h. forest harvesting and silvicultural activity as described in § 58-1-3506 (A) (33) of the Code of Virginia;
- 44 i. equipment used primarily for research, development, production or provision of biotechnology as
45 described in § 58-1-3506 (A) (34) of the Code of Virginia;
- 46 j. tangible personal property which is owned and operated by a service provider who is not a CMRS
47 provider and is not licensed by the FCC used to provide, for a fee, wireless broadband internet service as described
48 in § 58-1-3506 (A) (37) of the Code of Virginia.

49
50 **Sec. 4. Amount of Levy on Manufactured Homes.**

51 There shall be levied and collected for general purposes for the calendar year 2024~~5~~ taxes on all vehicles
52 without motive power, used or designated to be used as manufactured homes, as defined by Section 36-85.3 of the
53 Code of Virginia, at the rate of ninety-nine ~~seven~~ cents (~~\$0.99~~ 0.97) on each one hundred dollars (\$100) of assessed

54 valuation thereof. Such property declared a separate class of tangible personal property in Section 58.1-3506 (A)
55 (10).

56
57 **Sec. 5. Amount of Levy on All Boats or Watercraft Used for Business Purposes Only.**

58 There shall be levied and collected for general purposes for the calendar year 2024⁵ taxes on all boats or
59 watercraft used for business purposes (both boats weighing less than five (5) tons and boats weighing five (5) tons
60 or more), except as provided for in Section 8 of this ordinance, at the rate of one dollar and fifty cents (\$1.50) on
61 each one hundred dollars (\$100) of assessed valuation thereof. Such property declared a separate class of tangible
62 personal property in Sections 58.1-3506 (A) (35) and (A) (36).

63
64 **Sec. 6. Amount of Levy on All Boats or Watercraft Not Used Solely for Business Purposes.**

65 There shall be levied and collected for general purposes for the calendar year 2024⁵ taxes on all boats or
66 watercraft not used solely for business purposes weighing less than five (5) tons, and weighing five (5) tons or more,
67 except as provided for in Section 8 of this ordinance, at the rate of one dollar and fifty cents (\$1.50) on each one
68 hundred dollars (\$100) of assessed valuation thereof. Such property declared a separate class of tangible personal
69 property in Sections 58.1-3506 (A) (1) (a) and (A) (1) (b) of the Code of Virginia.

70
71 **Sec. 7. Amount of Levy on Machinery and Tools.**

72 In accordance with Section 58.1-3507 of the Code of Virginia, there shall be levied and collected for general
73 purposes for the calendar year 2024⁵ taxes on machinery and tools, including machinery and tools used directly in
74 the harvesting of forest products or semiconductor manufacturing, not exempt from taxation, at the rate of one
75 millionth of one cent (\$.000001) on each one hundred dollars (\$100) of assessed valuation thereof. As provided by
76 § 58.1-3506 (B) of the Code of Virginia, the following personal property shall also be taxed at the rate of machinery
77 and tools:

- 78 a. all tangible personal property used in research and development businesses, as described in § 58.1-
79 3506 (A) (7) of the Code of Virginia;
- 80 b. generating or cogenerating equipment, as described in § 58.1-3506 (A) (9) of the Code of Virginia; and
- 81 c. all motor vehicles, trailers and semitrailers with a gross vehicle weight of 10,000 pounds or more used

82 to transport property or passengers for hire by a motor carrier engaged in interstate commerce, as described in §
83 58.1-3506 (A) (25) of the Code of Virginia.

84
85 **Sec. 8. Amount of Levy on Privately Owned Pleasure Boats and Watercraft Used for Recreational Purposes Only.**

86 There shall be levied and collected for general purposes for the calendar year 2024⁵ taxes on all privately
87 owned pleasure boats and watercraft used for recreational purposes only, at the rate of one millionth of one cent
88 (\$.000001) on each one hundred dollars (\$100) of assessed valuation thereof. Such property declared a separate
89 class of tangible personal property in Sections 58.1-3506 (A) (12), (A) (28), and (A) (29) of the Code of Virginia.

90
91 **Sec. 9. Amount of Levy on Privately Owned Camping Trailers, Privately Owned Travel Trailers, and Motor Homes
92 Used for Recreational Purposes Only, and Privately Owned Horse Trailers.**

93 There shall be levied and collected for general purposes for the calendar year 2024⁵ taxes at the rate of
94 one dollar and fifty cents (\$1.50) on each one hundred dollars (\$100) of assessed valuation thereof on the following
95 property: (a) all privately owned camping trailers and motor homes as defined in Section 46.2-100 of the Code of
96 Virginia and privately owned travel trailers as defined in § 46.2-1900 of the Code of Virginia, that are used for
97 recreational purposes only; and (b) privately owned trailers as defined in § 46.2-100 of the Code of Virginia that are
98 designed and used for the transportation of horses, except those trailers described in subdivision (A) (11) of § 58.1-
99 3505 of the Code of Virginia. Such property declared a separate class of tangible personal property in Sections 58.1-
100 3506 (A) (18) and (A) (30) of the Code of Virginia.

101
102 **Sec. 10. Amount of Levy on One Motor Vehicle Owned and Regularly Used by a Disabled Veteran.**

103 There shall be a reduced tax, levied and collected for general purposes for the calendar year 2024⁵ at the
104 rate of one dollar and fifty cents (\$1.50) on each one hundred dollars (\$100) of assessed valuation, on one (1) motor
105 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
106 a hand, or who is blind, or who is permanently and totally disabled as certified by the Department of Veterans'
107 Affairs. Any motor vehicles in addition to the one (1) so taxed shall not qualify for the taxation at the rate established

108 herein, and shall be taxed at the rate or rates applicable to that class of property. To qualify, the veteran shall provide
109 a written statement to the Commissioner of the Revenue from the Department of Veterans' Affairs that the veteran
110 has been so designated or classified by the Department of Veterans' Affairs as to meet the requirements of Section
111 58.1-3506 (A) (19) of the Code of Virginia, and that his or her disability is service connected. Such property is declared
112 a separate class of tangible personal property in Section 58.1-3506 (A) (19) of the Code of Virginia.
113

114 **Sec.11. Amount of Levy on a Motor Vehicle Owned and Used Primarily by or for Someone at Least Sixty-Five**
115 **Years of Age or Anyone Found to be Permanently and Totally Disabled.**

116 a. In accordance with Sections 58.1-3506.1 et seq. of the Code of Virginia, there shall be a reduced tax,
117 levied and collected for general purposes for calendar year 2024~~5~~, at the rate of one millionth of one cent
118 (\$0.000001) on each one hundred dollars (\$100.00) of assessed valuation, on one (1) automobile or pickup truck
119 owned and used primarily by or for anyone at least sixty-five years of age or anyone found to be permanently and
120 totally disabled, as defined in Section 58.1-3506.3 of the Code of Virginia, subject to the following conditions:

121 1. The total combined income received, excluding the first \$7,500 of income, from all sources
122 during calendar year 2022~~3~~ by the owner of the motor vehicle shall not exceed twenty-two thousand dollars
123 (\$22,000)-

124 2. The owner's net financial worth, including the present value of all equitable interests, as of
125 December 31 of calendar year 2023~~4~~, excluding the value of the principal residence and the land, not exceeding one
126 (1) acre, upon which it is situated, shall not exceed seventy thousand dollars (\$70,000).

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

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

134 **Sec. 12. Amount of Levy on Computer Equipment and Peripherals Used in a Data Center.**

135 There shall be levied and collected for general purposes for the calendar year 2024~~5~~ taxes on all computer
136 equipment and peripherals used in a data center as authorized in § 58.1-3506(A)(43) of the Code of Virginia at the
137 rate of forty cents (\$0.40) on each one hundred dollars (\$100) of assessed valuation thereof.
138

139 **Sec. 13. Amount of Levy on EMS Volunteer Motor Vehicles.**

140 There shall be levied and collected for general purposes for the calendar year 2024~~5~~ taxes on motor vehicles
141 that meet the ownership and tax burden requirements as set forth in § 58.1-3506(A)(15) of the Code of Virginia at
142 the rate of one millionth of one cent (\$0.000001) on each one hundred dollars (\$100) of assessed valuation thereof.
143 Such property declared a separate class of tangible personal property in § 58.1-3506(A)(15) of the Code of Virginia
144 and is limited to one motor vehicle per member. The member is required to regularly respond to emergency calls
145 and the Council believes such designation may be obtained if the member has completed at least 80% of their hourly
146 duty commitment. Such property shall be subject to the certification of the applicable chief of the volunteer
147 emergency medical services agency or volunteer fire department, and if the owner or lessee discontinues active
148 volunteer participation in the activities of such volunteer emergency medical services agency or volunteer fire
149 department, the applicable chief shall forthwith provide the Commissioner of the Revenue of such change in status,
150 which shall result in the Commissioner of the Revenue issuing a prorated tax assessment in accordance with the
151 taxation of motor vehicles.
152

153 **Sec. 14. Tangible Personal Property of a Business that Qualifies for the Business License Incentive Program for**
154 **New Businesses.**

155 The tax rate applicable to the tangible personal property of a business that qualifies for the Business License
156 Incentive Program for New Businesses, such classification authorized by § 58.1-3506(A)(45), shall be one millionth
157 of one cent (\$0.000001) per \$100 of assessed value. This tax classification shall apply for the first two years in which
158 the qualifying business is subject to tax upon its personal property in the City of Virginia Beach.
159

160 **Sec. 15. Assessed Value Determination; method of filing returns for motor vehicles, trailers and boats.**

161 In accordance with Section 58.1-3103 of the Code of Virginia, personal property mentioned in the above
162 sections shall be assessed at actual fair market value, to be determined by the Commissioner of the Revenue for the
163 City of Virginia Beach. As authorized by Section 58.1-3518.1, the Commissioner of the Revenue may provide for the
164 annual assessment and taxation of motor vehicles, trailers and boats based on a previous personal property tax
165 return filed by the owner or owners of such property. The Commissioner of the Revenue may also rely upon
166 registration information held by the Department of Motor Vehicles in ascertaining ownership and situs of vehicles.

167
168 **Sec. 16. Severability.**

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

171
172 **Sec. 17. Effective Date.**

173
174 This ordinance shall be effective January 1, ~~2024~~2025.

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

176
Adopted by the City Council of the City of Virginia Beach, Virginia, on the _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

Budget and Management Services

City Attorney's Office

CA16442
R-1
March 6, 2024

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

5 WHEREAS, the United States Congress established legislation designated as the Housing and Community
6 Development Act of 1974 that sets forth the development of viable urban communities as a national goal; and
7 established additional legislation addressing the goals of reducing homelessness, increasing affordable housing
8 opportunities, and providing housing for people with HIV/AIDS;
9

10 WHEREAS, there is federal assistance available to help achieve these goals and conduct related activities,
11 including additional federal assistance set aside for related programs made available through various acts providing
12 coronavirus pandemic relief and support; and
13

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

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

20 The City Manager is hereby authorized and directed, as the executive and administrative head of the City,
21 to submit the City's ~~FY 2023-24~~ FY 2024-25 Annual Funding Plan (the "Plan") and amendments thereto, along with
22 understandings and assurances contained therein and such additional information as may be required, to the
23 Department of Housing and Urban Development to permit the review, approval, and funding of the Plan.

 Adopted by the Council of the City of Virginia Beach, Virginia, on the _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

Budget and Management Services

City Attorney's Office

CA16443
R-1
March 6, 2024

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**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; and

WHEREAS, the median increase in the value of a single family residence for FY ~~2023-24~~ 2024-25 is ~~9.3%~~6.12%;

NOW, THEREFORE, 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 married individuals 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 married individuals 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 ~~seventy three thousand eight hundred eighty six dollars (\$73,886)~~ seventy eight thousand four hundred eight dollars (\$78,408) 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 ~~ninety six thousand four hundred five dollars (\$96,405)~~ one hundred two thousand three hundred five dollars (\$102,305) provided that the first ten thousand dollars (\$10,000.00) of income of each relative, other than a spouse of the owner, who is living in the dwelling, shall not be included in such total; and provided that the first ten thousand dollars (\$10,000.00) or any portion thereof of income received by a permanently and totally disabled owner shall not be included in such total.

(5) For the tax exemption programs, the net combined financial worth, including equitable interests, as of December thirty-first of the year immediately preceding the taxable year, of the owners, and of the spouse of any owner, excluding the value of the dwelling and the land (not exceeding ten acres) upon which it is

53 situated, shall not exceed three hundred and fifty thousand dollars (\$350,000.00).

54

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

59

60 (7) The dwelling is occupied.

61

62

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

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

66

67 *Total income,*

68 *All Sources*

Tax Exemption

69 ~~\$0.00 - \$56,386.00~~

\$0.00 - \$59,837.00

100%

70 ~~\$56,386.01 - \$60,762.00~~

\$59,837.01 - \$64,481.00

80%

71 ~~\$60,762.01 - \$65,136.00~~

\$64,481.01 - \$69,122.00

60%

72 ~~\$65,136.01 - \$69,512.00~~

\$69,122.01 - \$73,766.00

40%

73 ~~\$69,512.01 - \$73,886.00~~

\$73,766.01 - \$78,408.00

20%

74

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

76

77 BE IT FURTHER ORDAINED: That this ordinance shall be effective on July 1, 2024.

Adopted by the City Council of the City of Virginia Beach, Virginia, on this _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

Budget and Management Services

City Attorney's Office

CA16444
R-1
March 6, 2024

1 **AN ORDINANCE TO AMEND SECTION 31-39 OF THE CITY CODE**
2 **REGARDING THE WASTE COLLECTION FEE TO INCREASE THE WASTE**
3 **COLLECTION FEE FOR SUCH SERVICES COMMENCING JULY 1, 2024**

4
5 SECTION AMENDED: § 31-39
6

7 WHEREAS, under Virginia Code § 15.2-928, the City Council of the City of Virginia Beach, Virginia, is authorized to
8 impose fees for providing the services to its residents of collection, management, and disposal of solid waste, recyclable
9 materials, and other refuse;

10
11 WHEREAS, the City held a public hearing on a proposed fee increase related to recycling to allow public comment;

12
13 WHEREAS, the City Council desires to have a fiscally responsible solution to solid waste collection, recycling, waste
14 management, and disposal.

15
16 NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

17
18 1. That Section 31-39 of the Code of the City of Virginia Beach is hereby amended to read as follows:

19
20 **Sec. 31-39. Waste Collection Fee; billing and collection**

21
22 a. That rate(s) to be charged for access to the service of solid waste collection, management, and disposal of solid
23 waste materials, and other refuse shall be as follows:

24
25 i. A waste collection fee of ~~\$27.50~~ \$30.55 per month shall be charged to each occupied dwelling unit eligible for,
26 and each participating church receiving, City trash collection services in accordance with this chapter.

27
28 b. That the billing and collection of the waste collection fee shall be pursuant to the same procedures as the collection
29 of water and sewer utility service and stormwater management charges as described in section 37-53.

30
31 2. This ordinance shall be effective on July 1, 2024.

 Adopted by the City Council of the City of Virginia Beach, Virginia, on this _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

Budget and Management Services

City Attorney's Office

CA16445
R-1
March 6, 2024

1 **AN ORDINANCE TO AMEND CITY CODE SECTION 35.3-12 TO**
2 **EXTEND THE SUNSET PROVISION FOR THE GILLS COVE AREA**
3 **SPECIAL SERVICES DISTRICT**

4
5 SECTION AMENDED: § 35.3-12

6 WHEREAS, the Gills Cove Area Special Services District was established by ordinance adopted March 25,
7 2014;

8 WHEREAS, the rate was established based on an estimated cost associated with three dredge cycles to
9 occur over sixteen years; and

10 WHEREAS, the rate was to be reviewed and adjusted as necessary to support the total cost of dredging;
11 and,

12 WHEREAS, the initial dredge cycle was delayed due to various factors including permitting and contracting;

13 WHEREAS, the first dredge cycle was recently completed;

14 WHEREAS, the City has received input from the community that it favors the extension of the duration of
15 the special service district and to modify the number of dredge cycles from three to two to allow a lower increase in
16 the levy to support the dredging program;

17 WHEREAS, to accommodate the community's request, the sunset provision in City Code § 35.3-12 must be
18 extended;

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

20
21
22 Sec. 35.3-12. Creation of the Gills Cove Area Dredging Special Service District.

- 23
24 a. There is hereby created the Gills Cove Area Dredging Special Service District for the purposes set forth in
25 this chapter and those set forth in Code of Virginia, § 15.2-3403.
26 b. The boundaries of the Gills Cove Area Dredging Special Service District shall be described in detail by the
27 map attached to this Ord. No. 3335.
28 c. The Gills Cove Area Dredging Special Service District shall dissolve on July 1, ~~2030~~ 2037, if not sooner. Such
29 date shall allow for the completion of the second dredge cycle and the accounting of all revenues and
30 expenditures during the duration of the Gills Cove Area Dredging Special Service District.
31
32

 Adopted by the Council of the City of Virginia Beach, Virginia, on the _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

Budget and Management Services

City Attorney's Office

CA16446

R-1

March 6, 2024

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46

AN ORDINANCE TO AMEND SECTIONS 35-6, 35-6.1, 35-9 AND 35-37 OF THE CITY CODE RELATED TO THE DATE PENALTIES AND INTEREST ARE IMPOSED UPON DELINQUENT REAL ESTATE AND PERSONAL PROPERTY TAX BILLS AND/OR INSTALLMENTS

SECTIONS AMENDED: §§ 35-6; 35-6.1; 35-9; & 35-37

WHEREAS, the City Treasurer of the City of Virginia Beach requested the City Council consider establishing a grace period for the application of penalties and interest on delinquent accounts from the day immediately following the tax due date to either a five or ten day period,

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

1. That Sections 35-6, 35-6.1, 35-9, and 35-37 of the Code of the City of Virginia Beach are hereby amended and reordained to read as follows:

Sec. 35-6. Penalty and interest when personal property taxes not paid on time.

(a) In the event any taxes on personal property are not paid on or before the fifth day after time the same are due and payable as set forth in section 35-5, there shall be added thereto a penalty of ten (10) percent of the amount of such unpaid taxes or the sum of ten dollars (\$10.00), whichever shall be greater, and such taxes and penalty shall bear interest commencing on the sixth first day following the day such taxes were due, at the rate of nine and six-tenths (9.6) percent per annum during the first year such taxes are delinquent, and thereafter at the rate of eight and four-tenths (8.4) percent per annum. Provided however, that the penalty shall in no case exceed the amount of the tax due.

....

Sec. 35-6.1. Personal property tax on motor vehicles and trailers; proration thereof.

...

(d) Any person who fails to pay personal property taxes on or before the fifth day after the date due as provided above shall incur a penalty of ten (10) percent of the tax due, or ten dollars (\$10.00), whichever is greater, which shall become part of the taxes due. Interest at the rate of nine and six-tenths (9.6) percent per annum from the sixth first day following the day such taxes are due, shall be paid upon the principal and penalties of such taxes remaining unpaid.

....

Sec. 35-9. Same—When due and payable; penalty and interest on delinquencies.

...

(b) In the event any installment of the service charges imposed pursuant to section 35-8 is not paid on or before the fifth day after time the same is due and payable, as set forth in this section, there shall be added thereto a penalty of five (5) percent of the amount of such unpaid installment and such installment and penalty shall bear interest at the rate of nine and six-tenths (9.6) percent per annum from the end of the sixth month next following the month such installment was due, but not paid, until paid.

Sec. 35-37. - Penalty and interest when installment not paid on time.

- 47 a. In the event any installment of taxes on real estate is not paid ~~the fifth day after~~ ~~on or before~~ the
48 time the same is due and payable as set forth in section 35-36, there shall be added thereto a penalty
49 of ten (10) percent of the amount of such unpaid installment or the sum of ten dollars (\$10.00),
50 whichever shall be greater, and such installment and penalty shall bear interest commencing on the
51 ~~first-sixth~~ day following the day such taxes were due, at the rate of nine and six-tenths (9.6) percent
52 per annum during the first year such taxes are delinquent, and thereafter at the rate of eight and
53 four-tenths (8.4) percent per annum. Provided however, that the penalty shall in no case exceed the
54 amount of the tax due.
55
56 2. This ordinance shall be effective on July 1, 2024.

Adopted by the City Council of the City of Virginia Beach, Virginia, on this _____ day of May, 2024.

APPROVED AS TO CONTENT:

APPROVED AS TO LEGAL SUFFICIENCY:

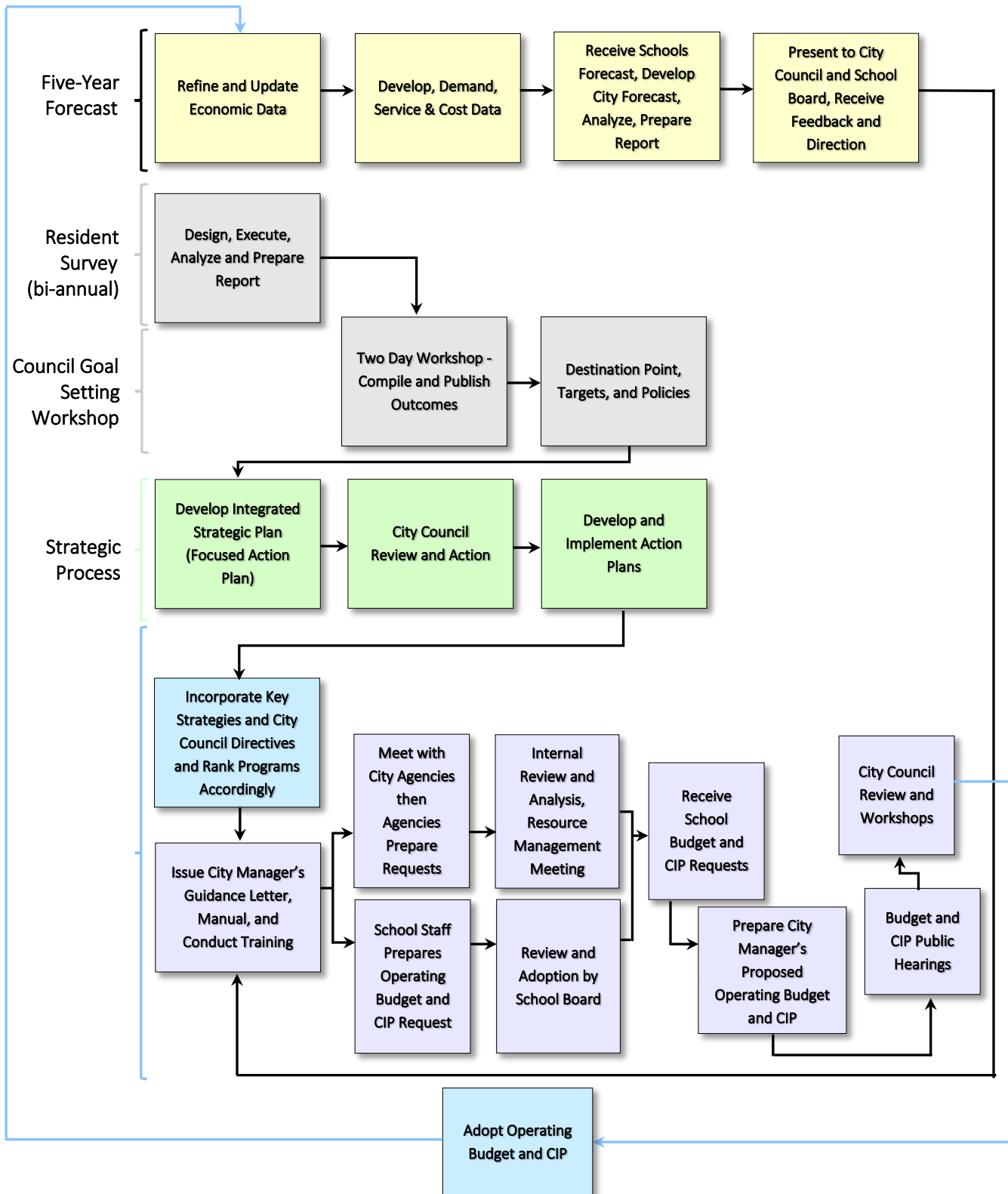
Budget and Management Services

City Attorney's Office

CA16448
R-1
March 6, 2024

RESOURCE MANAGEMENT PROCESS OVERVIEW

The chart below provides a graphic view of the city’s strategic planning and resource allocation process historically used by City Council:



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 in a lump sum for the School Operating fund and each of the Schools' remaining funds. How this funding is spent is solely at the discretion of the School Board. School's Capital Improvement Program (CIP) fund which contains all appropriations for Capital projects, is a City controlled fund which is at the discretion of City Council.

Base Level Budget Ordinance – Per Ordinance, the City Manager develops an Operating Budget that establishes a baseline budget. Additional resource needs are prioritized and can be articulated to account for proposed funding increases to support various program initiatives. 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 used in part to support existing services. Growth in Real Estate Revenue is shown as a table in the Executive Summary.

Public Hearings on the Budget - Section 5.07 of the Virginia Beach Charter, as well as State Code requires City Council to hold public hearings on the budget as submitted. Notice of the public hearings are published per state requirements. 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 (CIP) - The CIP and the Capital Program Budget are governed by City Code Section 2-195 which parallels the requirements of the City's Operating Budget. The 1% threshold is measured against year one of the CIP.

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 \$250,000 on his signature and the City Council must approve transfers over \$250,000.

Resident Survey - A bi-annual 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. Typically, 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 processes. They are incorporated in the Operating Budget and CIP preparation guidelines and review.

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 for policy review.

Operating Budget Process - Department Directors, the Management Leadership Team (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 Focused Action 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 General Government 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 Program Process - The development of the six-year 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.

- Departments responsible for submission of capital improvement project requests are: School Division (schools and educational facilities), Public Works [(buildings: new city buildings, renovations, site work, or expansion), coastal, roadways (in cooperation with Public Utilities), and stormwater projects], 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), Economic Development (Economic and Tourism related projects).
- 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, as well as 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 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 budget.virginiabeach.gov. Public notices, which present highlights of the plan are published in the local newspaper.

Resource Management Plan Calendar

August/September

08/01/23 - 09/30/23

Budget and Management Services staff members start planning for the upcoming Operating Budget and CIP. They develop the initial revenue forecast and funding targets.

September

09/30/23

Operating Budget Kickoff is held to disseminate information to departments on revenue estimates, the state budget outlook, the economy, budget process overview and changes, and funding targets.

09/30/23 - 12/02/23

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

11/08/23

CIP requests are due to the Department of Budget and Management Services.

11/22/23

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.

December

12/02/23

Department budget submissions are due to the Department of Budget and Management Services.

January

01/09/24 - 02/27/24

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.

February

02/08/24

School Superintendent submits the schools Estimate of Needs for FY 2023-24 to the School Board.

02/13/24 - 02/14/24

City Council Budget Retreat

March

03/05/24

Adoption of Schools Operating Budget and Capital Improvement Program by the School Board.

03/19/24

Proposed Resource Management Plan is presented to the City Council.

3/26/24

City Council Workshop on the Proposed Resource Management Plan.

April

04/02/24

City Council Workshop on the Proposed Resource Management Plan.

04/09/24

City Council Workshop on the Proposed Resource Management Plan.

04/16/24

City Council Workshop on the Proposed Resource Management Plan.

04/17/24

Public Hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.

04/23/24

City Council Workshop on the Proposed Resource Management Plan.

04/23/24

Public Hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.

04/30/24

City Council Workshop on the Proposed Resource Management Plan.

May

05/06/24

City Council Reconciliation Workshop on the Proposed Resource Management Plan.

05/13/24

Vote on the Resource Management Plan.

ACCOUNTING AND BUDGETING BASIS

The government-wide financial statements, Proprietary Fund and Fiduciary Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by provider have been met.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual 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 can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The term available is limited to collection 45 days of the fiscal year end. Levies made prior to the fiscal year end but which are not available are recorded as deferred inflows of resources. Expenditures are recorded when the related fund liability is incurred, and it requires the use of current financial resources to liquidate (except for unmatured 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 that meet the "susceptible to accrual" criteria:

- Amusement Taxes
- General Sales Taxes
- Hotel Taxes
- Interest on Deposits
- Personal Property Taxes
- Real Estate Taxes
- Restaurant Taxes
- Revenue from Commonwealth
- Revenue from Federal Government
- Utility Taxes

Other postemployment benefits plan financial statements are prepared using the accrual basis of accounting. City and School Board retiree's contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and both the City and School Board have made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Unearned revenues arise when resources are received by the government before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the Balance Sheet, or Statement of Net Position, and revenue is recognized.

Unbilled Water and Sewer and Storm Water Enterprise Funds accounts receivable for services provided through June 30 are included in the financial statements.

City of Virginia Beach, Virginia
Attachment A- Capital Budget Appropriations

| Project Number | Projects | Appropriations FY25 |
|-------------------------------------|--|------------------------|
| <u>Buildings and Assets</u> | | |
| PG100047 | Facilities Access Systems | 425,000 |
| PG100138 | Convention Center Capital Maintenance | 1,650,000 |
| PG100165 | Energy Performance Enhancements (City) II | 550,000 |
| PG100170 | Facilities Planning Services | 250,000 |
| PG100175 | Fire Apparatus IV | 2,265,975 |
| PG100176 | Fire Facility Rehabilitation and Renewal III | 1,000,000 |
| PG100178 | Fire Training Center Improvements IV | 300,000 |
| PG100203 | Heritage Building Maintenance II | 300,000 |
| PG100225 | Judicial Center Maintenance | 70,000 |
| PG100325 | Public Safety Equipment Replacement Project | 1,450,000 |
| PG100392 | City Security Enhancements | 500,000 |
| PG100437 | VA Aquarium Bldg. Systems & Facility Infrastructure II | 1,434,540 |
| PG100445 | Various Buildings HVAC Rehabilitation & Renewal IV | 2,500,000 |
| PG100446 | Various Buildings Rehabilitation and Renewal IV | 3,800,000 |
| PG100463 | Virginia Aquarium Renewal and Replacement III | 600,000 |
| PG100675 | Central Plant Loop Replacement | 17,833,471 |
| PG100677 | Waste Management Facility Replacement | 294,040 |
| PG100678 | Mosquito Control Replacement | 262,500 |
| Total Buildings and Assets Projects | | 35,485,526 |

Coastal

| | | |
|----------|---|-------------------|
| PG100038 | Beach Replenishment II | 2,550,000 |
| PG100142 | Croatan Beach Restoration | 78,000 |
| PG100149 | Dredge Operations Rehab and Modifications | 1,190,700 |
| PG100152 | Eastern Branch Lynnhaven River Dredging | 500,000 |
| PG100193 | Gills Cove Neighborhood Dredging | 180,063 |
| PG100253 | Bayville Creek Neighborhood Dredging II | 137,099 |
| PG100258 | Lynnhaven Inlet Maintenance Dredging II | 375,000 |
| PG100274 | Neighborhood Dredging Spur Channels | 309,300 |
| PG100334 | Replacement for Rudee Inlet Dredge | 1,000,000 |
| PG100344 | Rudee Inlet Federal Dredging II | 600,000 |
| PG100345 | Rudee Inlet Outer Channel Maintenance Dredging II | 650,000 |
| PG100349 | Sandbridge Beach Access Improvements II | 400,000 |
| PG100450 | Various Minor Dredging Projects II | 500,000 |
| PG100510 | Sandbridge Beach Restoration IV | 4,276,341 |
| PG100534 | Old Donation Creek Area Dredging II | 364,748 |
| PG100550 | Shadowlawn Area Dredging II | 38,918 |
| PG100560 | Harbour Point Neighborhood Dredging II | 83,747 |
| PG100617 | Rudee Inlet Weir Replacement | 4,227,015 |
| | Total Coastal Projects | <u>17,460,931</u> |

Economic and Tourism Development

| | | |
|----------|--|-------------------|
| PG100157 | Economic Development Investment Program II | 1,598,476 |
| PG100456 | Virginia Beach Amphitheater Capital Maintenance | 200,000 |
| PG100001 | 17th Street Improvements - Phase I Pacific to Cypress | 23,426,524 |
| PG100048 | Burton Station Road Improvements III | 3,120,000 |
| PG100282 | Oceana & ITA Conformity & Acquisition II | 574,668 |
| PG100283 | Oceanfront Capital Projects Reinvestment | 600,000 |
| PG100285 | Oceanfront Parking Facilities Capital Maintenance/Development II | 500,000 |
| PG100300 | Atlantic Avenue Street Improvements | 11,000,000 |
| PG100399 | Strategic Development Projects | 250,000 |
| PG100420 | Town Center Garage and Plaza Capital Maintenance II | 352,726 |
| PG100421 | Town Center Reinvestment | 150,000 |
| PG100629 | Sports Tourism Infrastructure | 12,578,900 |
| PG100630 | 17th Street Regional Stormwater Management Facility | 25,930,000 |
| | Total Economic and Tourism Development Projects | <u>80,281,294</u> |

Information Technology

| | | |
|----------|---|-------------------|
| PG100074 | 21st Century Enterprise Resource Planning (HCM) | 1,075,523 |
| PG100084 | City Software Upgrade/Replacement Plan | 2,694,146 |
| PG100087 | Communications Infrastructure | 626,801 |
| PG100103 | IT Service Continuity II | 480,614 |
| PG100105 | Maintain and Secure Corporate Data | 3,036,555 |
| PG100106 | Next Generation Network | 250,000 |
| PG100107 | Network Infrastructure Replacement III | 5,357,073 |
| PG100572 | HR/Finance Software Sustainment | 95,872 |
| PG100574 | Courts Technology System Sustainment | 250,000 |
| PG100618 | Revenue Management System Sustainment | 250,000 |
| PG100679 | Mass Care Management | 685,209 |
| PG100680 | Integrated Emergency Management Framework | 1,897,500 |
| | Total Information Technology Projects | <u>16,699,293</u> |

Parks and Recreation

| | | |
|----------|--|-------------------|
| PG100023 | Athletic Fields Lighting and Renovations III | 275,000 |
| PG100040 | Bikeways/Trails Repairs and Renovations I | 280,000 |
| PG100119 | City Bikeways and Trails Plan Implementation II | 1,000,000 |
| PG100127 | Community Recreation Centers Repairs and Renovations III | 2,000,000 |
| PG100194 | Golf Courses Contractual Obligations-Maintenance I | 120,000 |
| PG100198 | Greenways, Scenic Waterways and Natural Areas III | 250,000 |
| PG100256 | Lynnhaven Boat Ramp & Beach Facility Repairs/Reno I | 50,000 |
| PG100299 | Park Playground Renovations III | 870,628 |
| PG100320 | Parks and Special Use Facilities Development/Reno III | 2,004,400 |
| PG100393 | Sportsplex/Field Hockey National Trng Ctr Rep/Reno I | 726,135 |
| PG100402 | Stumpy Lake Golf Course Contractual Obligations I | 27,000 |
| PG100413 | Tennis Court Renovations III | 300,000 |
| PG100511 | Southern Rivers Watershed Site Acquisition Program | 7,000,000 |
| PG100641 | Open Space Acquisition IV | 2,500,000 |
| PG100661 | Recreation Center Modernization | 4,000,000 |
| PG100667 | Rudee Loop Park Development | 6,000,000 |
| PG100632 | Park Infrastructure Replacement & Underdeveloped Park Improvements | 4,000,000 |
| | Total Parks and Recreation Projects | <u>31,403,163</u> |

Roadways

| | | |
|----------|--|-------------------|
| PG100057 | Centerville Turnpike Phase II | 7,000,000 |
| PG100058 | Centerville Turnpike Phase III | 6,171,884 |
| PG100123 | Cleveland Street Improvements IV | 1,160,000 |
| PG100160 | Elbow Road Extended Phase II-D | 621,149 |
| PG100213 | Indian River Road Phase VII-B | 665,423 |
| PG100217 | Indian River Road Phase VII-A | 1,514,110 |
| PG100268 | Major Bridge Rehabilitation II | 1,460,000 |
| PG100278 | Nimmo Parkway VII-B | 1,858,911 |
| PG100301 | Parliament Drive Sidewalk Phase II | 1,338,226 |
| PG100340 | Rosemont Road Phase V | 770,293 |
| PG100347 | Rural Road Improvements II | 250,000 |
| PG100348 | Rural Road Recurring Flooding, SLR & Resiliency | 500,000 |
| PG100381 | Shore Drive Corridor Improvements Phase III | 2,140,131 |
| PG100383 | Shore Drive Corridor Improvements Phase IV | 4,000,000 |
| PG100401 | Street Reconstruction II | 3,450,000 |
| PG100422 | Traffic Calming | 250,000 |
| PG100423 | Traffic Safety Improvements IV | 2,984,959 |
| PG100425 | Traffic Signal Rehabilitation II | 2,900,000 |
| PG100502 | Citywide Street Lighting Improvements III | 70,000 |
| PG100522 | Traffic Signal Retiming II | 350,000 |
| PG100529 | Elbow Road Extended Phase II-B | 1,000,000 |
| PG100537 | Dam Neck Road/Holland Road Intersection Improvements | 320,250 |
| PG100542 | General Booth Boulevard / Oceana Boulevard Intersection Improvements | 1,635,000 |
| PG100546 | North Great Neck/London Bridge/VA Beach Blvd Intersection Imp | 2,367,995 |
| PG100555 | Parliament Dr. Sidewalk Phase I | 928,234 |
| PG100556 | Sandbridge Road Sidewalk | 99,508 |
| PG100564 | Holland Road Phase I | 16,800,000 |
| PG100565 | Holland Road Phase II | 500,000 |
| PG100634 | Construction Engineering and Inspection (CEI) Program | 3,500,000 |
| PG100673 | Pacific Avenue Turn Lanes | 2,000,000 |
| | Total Roadways Projects | <u>68,606,073</u> |

Sewer Utility

| | | |
|----------|--|-------------------|
| PG100327 | Pump Station Program VI | 10,050,000 |
| PG100342 | Royal Palm Arch Sanitary Sewer Rehabilitation | 3,700,000 |
| PG100361 | Sanitary Sewer System Revitalization Program III | 5,034,733 |
| PG100371 | Sewer Pump Repairs and Replacements | 850,000 |
| PG100440 | Vacuum Valve Monitoring System | 1,400,000 |
| PG100458 | ViBe District Sewer Improvements | 1,300,000 |
| PG100519 | Sanitary Sewer Force Main Rehabilitation I | 3,700,000 |
| PG100525 | Landstown Yard Improvements IV | 303,000 |
| PG100526 | Utilities Technology Support Program | 300,000 |
| PG100610 | Aragona Village Sanitary Sewer System Improvements | 3,250,000 |
| | Total Sewer Utility Projects | <u>29,887,733</u> |

Storm Water

| | | |
|----------|---|-------------------|
| PG100043 | BMP Maintenance Program Phase I | 1,000,000 |
| PG100053 | Canal Management Phase I | 500,000 |
| PG100161 | Elizabeth River Watershed | 100,000 |
| PG100232 | Lake Management II | 3,307,611 |
| PG100263 | Lynnhaven River Basin Ecosystem Restoration Project | 100,000 |
| PG100264 | Lynnhaven River Watershed Water Quality Projects II | 125,000 |
| PG100287 | Oceanfront Stormwater Facilities Maintenance | 1,650,000 |
| PG100314 | Primary System Infrastructure Improvements II | 1,520,000 |
| PG100335 | Residential Drainage Cost Participation Program II | 50,000 |
| PG100353 | Atlantic Ocean Watershed Water Quality Projects | 100,000 |
| PG100380 | Cave-In Repair Program | 1,500,000 |
| PG100390 | Southern Canal/Lead Ditch and Culvert Improvements | 2,390,000 |
| PG100391 | Southern Rivers Watershed | 485,000 |
| PG100395 | Stormwater Pump Station Modifications | 1,250,000 |
| PG100397 | Storm Water Quality Enhancements II | 1,150,000 |
| PG100404 | Surface Water Regulatory Compliance Program | 1,450,000 |
| PG100405 | SW Infrastructure Rehabilitation & Improvements II | 3,500,000 |
| PG100472 | Water Quality Cost Participation Projects II | 80,000 |
| PG100515 | Enhanced Neighborhood Rehabilitation - Phase I | 1,236,349 |
| PR100669 | Oceana Gardens Constructed Wetlands | 2,010,000 |
| PG100642 | Providence Park Wet Pond Project | 370,000 |
| PG100671 | Brigadoon Park Water Quality Improvement Project | 1,630,000 |
| | Total Storm Water Projects | <u>25,503,960</u> |

Water Utility

| | | |
|----------|--|-------------------|
| PG100238 | Landstown Yard Improvements IV | 303,000 |
| PG100432 | Utilities Technology Support Program | 300,000 |
| PG100460 | Vibe District Water Improvements | 2,800,000 |
| PG100470 | Water Line Extension, Replacement & Rehab Program II | 1,730,000 |
| PG100471 | Water Pump Repairs and Replacements | 345,000 |
| PG100478 | Water Tap Installation Program II | 175,000 |
| PG100479 | Water Transmission System Upgrade Program II | 3,210,000 |
| PG100518 | Royal Palm Arch Water System Rehabilitation | 2,550,000 |
| PG100640 | Stumpy Lake Dam Improvements | 480,000 |
| | Total Water Utility Projects | <u>11,893,000</u> |

Flood Protection

| | | |
|----------|--|------------------|
| PG100512 | USACE Regional Coastal Storm Risk Management Study | 1,050,000 |
| PG100578 | Stormwater Project Administration | 1,000,000 |
| PG100582 | Stormwater Infrastructure Cost Participation | 2,000,000 |
| | Total Flood Protection Projects | <u>4,050,000</u> |

Schools

| | | |
|----------|---|---------------------------|
| PG601001 | Renovation and Replacement Energy Management/Sustainability | 2,500,000 |
| PG601002 | Tennis Court Renovations - Phase II | 200,000 |
| PG601015 | Princess Anne High School Replacement | 1,500,000 |
| PG601016 | Energy Performance Contracts - Phase II | 2,500,000 |
| PG601017 | Renovations and Replacements - Grounds III | 2,000,000 |
| PG601018 | Renovations and Replacements - HVAC III | 25,500,000 |
| PG601019 | Renovations and Replacements - Reroofing III | 8,800,000 |
| PG601020 | Renovations and Replacements - Various III | 2,650,000 |
| PG601022 | Elementary School Playground Equipment Replacement | 250,000 |
| PG601027 | Renovations and Replacements - Safe School Improvements | 200,000 |
| PG601028 | B.F. Williams Elementary/Bayside 6th (Grades 4-6) Replacement | 17,500,000 |
| PG601033 | Comprehensive Long Range Facilities Master Planning | 200,000 |
| | Total Schools Projects | <u>63,800,000</u> |
| | Total Capital Budget | <u><u>385,070,973</u></u> |

City of Virginia Beach, Virginia
Fiscal Years 2025 through 2030 Capital Improvement Program
Appropriation and Financing Plan

| Appropriation/Financing | Appropriated to Date | FY 2025 Budget | Unappropriated Subsequent Years | | | | | CIP Total |
|--|----------------------|--------------------|---------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| | | | FY 2026 Budget | FY 2027 Budget | FY 2028 Budget | FY 2029 Budget | FY 2030 Budget | |
| Capital Improvement Program By Business Area/Category | | | | | | | | |
| Capital Projects | | | | | | | | |
| Buildings & Assets Section | 307,771,793 | 35,485,526 | 40,615,254 | 21,066,142 | 30,070,884 | 29,342,589 | 15,909,202 | 480,261,390 |
| Coastal Projects Section | 130,098,243 | 17,460,931 | 12,249,849 | 10,991,137 | 10,212,341 | 13,356,341 | 12,606,341 | 206,975,183 |
| Economic and Tourism Development Section | 410,684,413 | 80,281,294 | 12,455,293 | 10,765,139 | 4,380,394 | 4,300,734 | 4,300,734 | 527,168,001 |
| Information Technology Section | 158,764,653 | 16,699,293 | 12,545,082 | 7,946,606 | 11,962,329 | 12,946,605 | 11,962,328 | 232,826,896 |
| Parks and Recreation Section | 180,861,804 | 31,403,163 | 64,535,860 | 14,654,239 | 24,756,603 | 14,861,629 | 14,969,385 | 346,042,683 |
| Roadways Section | 675,503,173 | 68,606,073 | 83,163,452 | 82,009,259 | 48,987,289 | 41,325,140 | 49,754,802 | 1,049,349,188 |
| Sewer Utility Section | 159,839,256 | 29,887,733 | 24,162,000 | 28,109,000 | 26,015,000 | 27,730,000 | 24,190,000 | 319,932,989 |
| Stormwater Section | 335,809,964 | 25,503,960 | 29,144,001 | 29,144,001 | 29,544,001 | 29,544,001 | 29,544,001 | 508,233,929 |
| Water Utility Section | 110,498,681 | 11,893,000 | 15,814,000 | 9,777,000 | 13,865,000 | 5,370,000 | 17,990,000 | 185,207,681 |
| Schools Section | 406,625,514 | 63,800,000 | 61,300,000 | 61,800,000 | 61,800,000 | 61,800,000 | 61,800,000 | 778,925,514 |
| Flood Protection Section | 775,683,006 | 4,050,000 | 4,100,000 | 4,622,000 | 3,000,000 | 3,000,000 | 3,000,000 | 797,455,006 |
| Total Capital Projects | 3,652,140,500 | 385,070,973 | 360,084,791 | 280,884,523 | 264,593,841 | 243,577,039 | 246,026,793 | 5,432,378,460 |
| Operating Budget CIP Allocations | | | | | | | | |
| Local Funding | 3,359,303,879 | | | | | | | 3,359,303,879 |
| General Appropriations | | | | | | | | |
| Pay-As-You-Go - General Fund | - | 29,282,447 | 32,072,222 | 27,407,306 | 26,506,191 | 27,991,703 | 28,507,426 | 171,767,295 |
| Pay-As-You-Go - Agricultural Reserve Program | - | 1,490,000 | 1,490,000 | 1,490,000 | 1,490,000 | 1,490,000 | 1,490,000 | 8,940,000 |
| Pay-As-You-Go - Outdoor Initiative | - | 3,700,028 | 3,832,725 | 3,951,104 | 4,053,468 | 4,158,494 | 4,266,250 | 23,962,069 |
| Pay-As-You-Go - Sandbridge SSD | - | 4,676,341 | 4,676,341 | 4,676,341 | 4,676,341 | 4,676,341 | 4,676,341 | 28,058,046 |
| Pay-As-You-Go - Bayville Creek | - | 66,549 | - | - | - | - | - | 66,549 |
| Pay-As-You-Go - Fire Programs Fund | 2,573,155 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 4,373,155 |
| Pay-As-You-Go - Flood Protection | - | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 6,000,000 |
| Pay-As-You-Go - Harbour Point Dredging | - | 55,939 | - | - | - | - | - | 55,939 |
| Pay-As-You-Go - Old Donation Creek Area | - | 107,594 | - | - | - | - | - | 107,594 |
| Pay-As-You-Go - Open Space | - | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 18,000,000 |
| Pay-As-You-Go - Parks and Recreation Special | - | 1,197,000 | 1,197,000 | 1,197,000 | 1,197,000 | 1,197,000 | 1,197,000 | 7,182,000 |
| Pay-As-You-Go - Parking Enterprise Fund | - | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 3,000,000 |
| Pay-As-You-Go - Storm Water Utility Fund | - | 16,644,767 | 17,867,108 | 16,330,758 | 16,376,191 | 16,376,191 | 16,376,191 | 99,971,206 |
| Pay-As-You-Go - Water & Sewer Fund | - | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 | 8,000,000 | 48,000,000 |
| Pay-As-You-Go - Tourism Advertising Program | - | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 3,000,000 |
| Pay-As-You-Go - Schools | - | 3,000,000 | 4,000,000 | 5,000,000 | 6,000,000 | 7,000,000 | 7,500,000 | 32,500,000 |
| Pay-As-You-Go - Town Center SSD | - | 502,726 | 502,726 | 502,726 | 502,726 | 502,726 | 502,726 | 3,016,356 |
| Pay-As-You-Go - Chesapeake Colony | - | - | 227,000 | 1,131,000 | - | - | - | 1,358,000 |
| Pay-As-You-Go - Schilling Point Dredging | - | - | - | 44,000 | 282,000 | - | - | 326,000 |
| Pay-As-You-Go - Tourism Investment Program | - | 2,450,000 | 4,400,000 | 2,800,000 | 1,150,000 | 1,500,000 | 1,143,060 | 13,443,060 |
| Total General Appropriations | 3,361,877,034 | 76,473,391 | 83,565,122 | 77,830,235 | 75,533,917 | 78,192,455 | 78,958,994 | 3,832,431,148 |
| Policy Allocation of Year Ending Balance | | | | | | | | |
| Fund Balance - General Fund | - | 36,170,416 | 20,641,097 | 16,794,002 | 23,233,293 | 22,147,397 | 20,397,397 | 139,383,602 |
| Fund Balance - Schools | - | 11,000,000 | 10,500,000 | 10,000,000 | 9,500,000 | 8,500,000 | 8,000,000 | 57,500,000 |
| Fund Balance - Parks and Recreation | - | 5,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 10,000,000 |
| Retained Earnings - Storm Water Utility | - | 2,000,000 | 2,000,000 | 2,000,000 | 3,492,220 | 3,492,220 | 3,492,220 | 16,476,660 |
| Retained Earnings - Water and Sewer Fund | - | 5,000,000 | 5,000,000 | 5,000,001 | 5,000,000 | 5,000,000 | 5,000,000 | 30,000,001 |
| Total Policy Allocation of Year Ending Balance | - | 59,170,416 | 39,141,097 | 34,794,003 | 42,225,513 | 40,139,617 | 37,889,617 | 253,360,263 |
| Other Sources of Funding | | | | | | | | |
| Private Contribution - US Field Hockey Assoc. | 635,110 | - | - | - | - | - | - | 635,110 |
| Proffers - Cash in Lieu of Property - Open Space | 201,945 | - | - | - | - | - | - | 201,945 |
| Federal Contribution | 138,305,350 | 10,150,596 | 12,200,000 | 15,326,104 | 13,048,095 | 6,270,867 | 11,842,390 | 207,143,402 |
| State Contribution | 127,517,413 | 43,637,649 | 24,650,000 | 15,628,890 | 10,302,417 | 5,980,963 | 2,960,597 | 230,677,929 |
| Developer Contribution | 167,177 | 119,733 | - | - | - | - | - | 286,910 |
| Franchise Fees | 1,575,000 | - | 315,000 | 315,000 | 315,000 | 315,000 | 315,000 | 3,150,000 |
| HRSD | 2,943,000 | - | 115,000 | 115,000 | 115,000 | 115,000 | 115,000 | 3,518,000 |
| Reimbursement - Interest Expense | 2,223,549 | - | - | - | - | - | - | 2,223,549 |
| Insurance Recovery | 1,147,774 | - | - | - | - | - | - | 1,147,774 |
| Lease of Properties | 1,086,829 | 677,840 | 1,098,172 | 1,098,172 | 1,098,172 | 1,098,172 | 1,098,172 | 7,255,529 |
| Medicaid Cost Settlement | 1,549,776 | - | 120,627 | 120,627 | 120,627 | 120,627 | 120,627 | 2,152,911 |
| Miscellaneous Funding | 818,198 | - | - | - | - | - | - | 818,198 |
| Private Contribution | 1,373,129 | 574,493 | - | 386,796 | 119,000 | - | - | 2,453,418 |
| Sale of Equipment | 370,700 | - | - | - | - | - | - | 370,700 |
| Sale of Property | 10,348,516 | - | - | - | - | - | - | 10,348,516 |
| Total Other Sources of Funding | 290,263,466 | 55,160,311 | 38,498,799 | 32,990,589 | 25,118,311 | 13,900,629 | 16,451,786 | 472,383,891 |
| Debt Financing | | | | | | | | |
| Public Facility Bonds | - | 90,661,964 | 90,042,637 | 21,350,000 | 24,550,000 | 14,550,000 | 14,550,000 | 255,704,601 |
| Charter Bonds | - | 67,876,279 | 72,606,855 | 78,270,594 | 60,689,004 | 67,097,242 | 59,399,300 | 405,939,274 |
| Storm Water Utility Bonds | - | 6,982,612 | 9,369,281 | 10,878,103 | 9,712,096 | 9,712,096 | 9,712,096 | 56,366,284 |
| Water and Sewer Bonds | - | 28,746,000 | 26,861,000 | 24,770,999 | 26,765,000 | 19,985,000 | 29,065,000 | 156,192,999 |
| Total Debt Financing | - | 194,266,855 | 198,879,773 | 135,269,696 | 121,716,100 | 111,344,338 | 112,726,396 | 874,203,158 |
| Total Means of Financing | 3,652,140,500 | 385,070,973 | 360,084,791 | 280,884,523 | 264,593,841 | 243,577,039 | 246,026,793 | 5,432,378,460 |

City of Virginia Beach, Virginia
Fiscal Years 2025 through 2030 Capital Improvement Program
Operating Budget Impact Report

| Project Number | Year 2 FY 2025-26 | Year 3 FY 2026-27 | Year 4 FY 2027-28 | Year 5 FY 2028-29 | Year 6 FY 2029-30 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Capital Projects | | | | | |
| Buildings and Assets Section | | | | | |
| PG100168 Euclid Yard Facility Replacement | - | - | - | - | 170,200 |
| Buildings Total | - | - | - | - | 170,200 |
| FTE Total | - | - | - | - | - |
| Economic and Tourism Development Section | | | | | |
| PG100286 Oceanfront Restroom | 512,000 | 512,000 | 512,000 | 512,000 | 512,000 |
| Economic and Tourism Development Section | 512,000 | 512,000 | 512,000 | 512,000 | 512,000 |
| FTE Total | - | - | - | - | - |
| Information Technology Section | | | | | |
| PG100067 Next Generation Content Management | 27,100 | 27,100 | 27,100 | 27,100 | 27,100 |
| PG100068 Sheriff Inmate Tracking & Status M | 86,985 | 86,985 | 86,985 | 86,985 | 86,985 |
| PG100094 Enterprise Cust Relationship Mgmt. Sy | 343,660 | 343,660 | - | - | - |
| PG100569 Libraries Meeting Space Technology Modernization | 28,456 | 28,456 | - | - | - |
| PG100570 ECCS Back-Up Site (Phase II) | 315,000 | 315,000 | 315,000 | - | - |
| PG100574 Courts Technology System Sustainment | 15,580 | 16,009 | - | - | - |
| PG100658 Treasurers E-Billing | 50,000 | 50,000 | 50,000 | 50,000 | - |
| PG100624 Forensic Evidence Management | 50,000 | 50,000 | 50,000 | - | - |
| PG100621 CSA Modernization | 100,000 | 100,000 | 100,000 | - | - |
| PG100622 HSD Evidence Management | 100,000 | 100,000 | 100,000 | - | - |
| PG100620 HSD Document Management System | 120,000 | 120,000 | 120,000 | - | - |
| Information Technology Section | 1,236,781 | 1,237,210 | 849,085 | 164,085 | 114,085 |
| FTE Total | - | - | - | - | - |
| Roadways Section | | | | | |
| PG100057 Centerville Turnpike - Phase II | - | - | 103,645 | 105,718 | 107,832 |
| PG100058 Centerville Turnpike - Phase III | - | - | - | 64,428 | 65,716 |
| PG100123 Cleveland Street Improvements IV | - | - | - | 16,918 | 16,918 |
| PG100159 Elbow Road Extended - Phase II-C | - | - | 36,183 | 36,907 | 37,645 |
| PG100183 First Colonial Rd-VB Blvd Intersection | 23,810 | 24,286 | 24,772 | 25,268 | 25,773 |
| PG100192 General Booth-Camp Pendleton Inters Impr | 12,605 | 12,858 | 13,115 | 13,377 | 13,645 |
| PG100199 Greenwich Rd-Cleveland St Crossover | 19,736 | 20,131 | 20,534 | 20,944 | 21,363 |
| PG100213 Indian River Road - Phase VII-B | - | - | - | - | 34,538 |
| PG100217 Indian River Road - Phase VII-A | - | - | - | - | 34,538 |
| PG100240 Laskin Road Bridge Replacement (VDOT) | 28,572 | 29,144 | 29,727 | 30,321 | 30,928 |
| PG100242 Laskin Road - Phase I-A (VDOT) | 88,574 | 90,346 | 92,153 | 93,996 | 95,876 |
| PG100301 Parliament Drive Sidewalk Phase II | - | 2,000 | 2,040 | 2,081 | 2,122 |
| PG100340 Rosemont Road - Phase V | - | - | - | - | 72,831 |
| PG100356 Sandbridge Road-Nimmo - Phase VII-A | 18,091 | 18,453 | 18,822 | 19,199 | 19,583 |
| PG100379 Shipp's Corner Road Improvements | - | - | - | - | - |
| PG100381 Shore Drive Corridor Imprv-Phase III | - | - | - | 12,000 | 12,240 |
| PG100429 Upton Dr Ext-Dam Neck Improvements | 7,003 | 7,143 | 7,286 | 7,432 | 7,580 |
| PG100529 Elbow Road Extended - Phase II - B | - | - | 42,762 | 43,617 | 44,489 |
| PG100537 Dam Neck Rd-Holland Rd Intersection Improvements | - | - | 4,202 | 4,286 | 4,372 |
| PG100542 General Booth Boulevard-Oceana Boulevard Intersection Improvements | - | - | - | 11,205 | 11,429 |
| PG100546 North Great Neck-London Bridge-Va Beach Blvd Intersection Imp | - | - | - | - | 14,006 |
| PG100554 Independence Blvd-Columbus St Pedestrian Imp | 1,429 | 1,457 | 1,486 | 1,516 | 1,546 |
| PG100555 Parliament Dr-Sidewalk Phase I | - | - | 2,000 | 2,040 | 2,081 |
| PG100556 Sandbridge Rd-Sidewalk | 2,000 | 2,040 | 2,081 | 2,122 | 2,165 |
| PG100648 General Booth Blvd/Dam Neck Rd | - | - | - | - | 8,404 |
| Roadways Section | 201,820 | 207,858 | 400,808 | 513,375 | 687,620 |
| FTE Total | - | - | - | - | - |

Flood Protection Section

PG100516: Bow Creek Stormwater Park

| | | | | | |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|
| | 428,757 | 441,620 | 454,868 | 468,514 | 482,570 |
| Flood Protection Section | <u>428,757</u> | <u>441,620</u> | <u>454,868</u> | <u>468,514</u> | <u>482,570</u> |
| FTE Total | <u>4</u> | <u>4</u> | <u>4</u> | <u>4</u> | <u>4</u> |
| <u>Report Totals</u> | | | | | |
| Total Operating Budget Impact | <u>2,379,358</u> | <u>2,398,688</u> | <u>2,216,761</u> | <u>1,657,974</u> | <u>1,966,475</u> |
| FTE Total | <u>4</u> | <u>4</u> | <u>4</u> | <u>4</u> | <u>4</u> |

SUMMARY OF POSITIONS BY DEPARTMENT

| | Adopted Budget FY 2021-22 | Adopted Budget FY 2022-23 | Adopted Budget FY 2023-24 | Amended Budget FY 2023-24 | Proposed Budget FY 2024-25 | Change in FTEs From Amended FY 2023-24 to FY 2024-25 | Change in FTEs From Adopted FY 2021-22 to FY 2024-25 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|--|---|
| Agriculture | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | - | - |
| Virginia Aquarium | 127.00 | 128.85 | 125.60 | 125.60 | 125.60 | - | (1.40) |
| City Auditor | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | - | - |
| Budget and Management Services | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | - | - |
| City Attorney | 43.00 | 39.60 | 39.60 | 39.60 | 39.60 | - | (3.40) |
| Clerk of the Circuit Court | 57.00 | 57.00 | 57.00 | 57.00 | 57.00 | - | - |
| Circuit Court | 12.50 | 13.50 | 13.50 | 13.50 | 13.50 | - | 1.00 |
| City Clerk | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | - | - |
| City Manager | 21.00 | 21.00 | 23.00 | 23.00 | 23.00 | - | 2.00 |
| City Real Estate Assessor | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | - | - |
| City Treasurer | 76.60 | 76.60 | 76.60 | 76.60 | 76.60 | - | - |
| Communications Office | 22.00 | 24.00 | 27.00 | 28.00 | 28.00 | - | 6.00 |
| Commissioner of the Revenue | 63.93 | 64.93 | 64.93 | 64.93 | 64.93 | - | 1.00 |
| Cultural Affairs and Historic Houses | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | - | - |
| Convention and Visitor's Bureau | 109.28 | 119.28 | 119.28 | 119.28 | 119.28 | - | 10.00 |
| Commonwealth's Attorney | 102.83 | 104.83 | 120.83 | 122.83 | 122.83 | - | 20.00 |
| Emergency Communications and Citizen Services | 133.75 | 133.75 | 132.75 | 132.75 | 115.75 | (17.00) | (18.00) |
| Economic Development | 32.00 | 33.00 | 34.00 | 33.00 | 20.00 | (13.00) | (12.00) |
| Emergency Management | 8.00 | 10.00 | 13.00 | 13.00 | 13.00 | - | 5.00 |
| Emergency Medical Services | 101.55 | 124.55 | 165.12 | 165.12 | 169.12 | 4.00 | 67.57 |
| Finance | 62.00 | 62.00 | 65.00 | 66.00 | 66.00 | - | 4.00 |
| Fire | 555.23 | 558.23 | 561.23 | 561.23 | 578.23 | 17.00 | 23.00 |
| Health Department | 11.38 | 11.38 | 8.00 | 8.00 | 7.00 | (1.00) | (4.38) |
| Housing and Neighborhood Preservation | 87.00 | 88.00 | 94.00 | 94.00 | 93.00 | (1.00) | 6.00 |
| Human Resources | 63.00 | 64.00 | 70.00 | 71.00 | 71.00 | - | 8.00 |
| Human Services | 1,193.20 | 1,191.57 | 1,187.57 | 1,193.82 | 1,183.32 | (10.50) | (9.88) |
| Information Technology | 189.00 | 195.00 | 199.00 | 199.00 | 199.00 | - | 10.00 |
| Juvenile Probation | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | - | - |
| Libraries | 241.50 | 241.50 | 245.50 | 244.50 | 239.50 | (5.00) | (2.00) |
| Municipal Council | 11.00 | 11.00 | 12.00 | 11.00 | 11.00 | - | - |
| Office of Performance and Accountability | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | - | - |
| Parks and Recreation | 869.11 | 869.11 | 875.04 | 875.04 | 890.79 | 15.75 | 21.68 |
| Planning | 133.00 | 142.00 | 143.00 | 143.00 | 148.00 | 5.00 | 15.00 |
| Police | 1,048.80 | 1,050.90 | 1,068.15 | 1,068.15 | 1,068.15 | - | 19.35 |
| Public Utilities | 415.00 | 415.00 | 416.00 | 416.00 | 417.00 | 1.00 | 2.00 |
| Public Works | 975.88 | 975.88 | 988.88 | 988.88 | 1,012.88 | 24.00 | 37.00 |
| Resort Management Office | 10.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | (10.00) |
| Sheriff | 535.99 | 535.99 | 536.40 | 536.40 | 536.40 | - | 0.41 |
| Voter Registration and Elections | 13.00 | 13.00 | 14.00 | 14.00 | 14.00 | - | 1.00 |
| Total | 7,419.53 | 7,470.45 | 7,590.98 | 7,599.23 | 7,618.48 | 19.25 | 198.95 |



City Council and School Board Policy

| | | |
|---|-------------------|---------------|
| Title: City/School Revenue Sharing Policy | | Index Number: |
| Date of Adoption: November 19, 2019 | Date of Revision: | Page: 1 of 6 |

1. **Purpose**

- 1.1. This policy (the “Policy”) is to establish a procedure for allocating Local Tax Revenues between the City and the Public School System revenues estimated to be available in any given fiscal year. It is the intent of this Policy to provide a planning and allocation tool that yields 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 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. Notwithstanding anything in this Policy, at no time shall the City’s funding for Schools be less than that required by Virginia law for the maintenance of an educational program meeting the Standards of Quality as established by the General Assembly and required by the Virginia Constitution.

2. **Definitions:**

- 2.1. “City” refers to the City of Virginia Beach exclusive of the Virginia Beach City Public Schools.
- 2.2. “Schools” refers to the Virginia Beach City Public Schools.
- 2.3. “Local Tax Revenues” refers to all General Fund revenues generated by non-dedicated local taxes: real estate (less dedications such as the Outdoor Initiative); Personal Property; General Sales; Utility; Virginia Telecommunications; Business Professional and Occupational License (BPOL) Tax; Cigarette (less dedication for Economic Development Incentive Program (EDIP)); Hotel; Restaurant Meals; Automobile License; Bank Net Capital; City Tax on Deeds; and City Tax on Wills.
- 2.4. “Dedicated Local Tax” refers to taxes that have been previously obligated by the City Council or State law to support specific projects or programs. Examples of dedicated local taxes that are excluded from this Policy include, but are not limited to: Tax Increment Financing District Revenues; Special Services Districts

Revenues; taxes that represent “net-new revenues” and are required to be redirected or are the basis for the calculation of an incentive payment as part of a public-private partnership approved by City Council; taxes established to support Open Space; Agricultural Reserve Program; Tourism Advertising Program; Tourism Investment Program, referendum related taxes, and taxes used to support the BRAC project. A more complete discussion of such dedications is found in the Executive Summary and Operating Budget each year.

- 2.5. “Formula Percentage” means the percentage applied to the Local Tax Revenues to arrive at the Formula Revenues.
- 2.6. “Formula Revenues” means the amount of revenue the Policy provides for funding the Schools.
- 2.7. “General Fund Balance Reserve Policy” means the Policy adopted by the City Council on May 11, 2004, which sets a range of 8% to 12% of the following year’s budgeted revenues as the required undesignated fund balance.
- 2.8. “Net-new Revenues” as used in Section 2.4 means public-private partnership revenues generated by a project (or property) that exceed the Local Tax Revenues prior to the public-private partnership.
- 2.9. “Revenue Sharing Formula” refers to the method of sharing Local Tax Revenues between the City and the Schools.
- 2.10. “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.
- 2.11. “Actual Local Tax Revenues” refers to the actual collected revenues reflected in the Comprehensive Annual Financial Report (CAFR).
- 2.12. “School Reversion Funds” refers to unused expenditure appropriations and end of the year adjustments to the Revenue Sharing Formula revenues based on actual collections.
- 2.13. “Schools Reserve Fund” means the fund established by the City Council on November 4, 2013, which is subject to School Board Policy #3-28 and is identified in the City’s Financial System as Fund 220.

3. Procedure to Calculate the Revenue Sharing Formula:

3.1. Initial Estimate

- 3.1.1. In October, Budget and Management Services will develop an estimate of Local Tax Revenue for the upcoming fiscal year.
- 3.1.2. Estimated Formula Revenues. Using the estimate in the preceding subsection, the City’s Department of Budget and Management Services will provide the estimated formula revenues to the Schools. The Estimated Formula Revenues is the result of the Local Tax Revenues multiplied by the Formula Percentage, which shall be 46.75% starting in FY 2020-21.
 - 3.1.2.1. This formula calculation shall comprise the local contribution for the Schools pursuant to this Policy.

3.2. Final Estimate

3.2.1. In February, the City's Department of Budget and Management Services will develop a final estimate of the Local Tax Revenues. Using this estimate and the Formula Percentage, the City will derive a final estimated amount of Formula Revenues, which will be included in the City Manager's Proposed Operating Budget and communicated forthwith to the Schools.

3.2.2. The final estimated amount of Formula Revenues and the calculation thereof shall be clearly presented in the City Manager's Proposed Operating Budget and forwarded to the City Council for consideration as part of the annual budget process.

4. Procedure to Request Funding Above the Revenue Sharing Formula:

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. The City Council, in its sole discretion may elect to provide revenue to Schools that is not consistent with this Policy. Such action by the City Council 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, the 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. Deviations from Budgeted Local Tax Revenues:

5.1. If, at the end of the fiscal year, the Actual Local Tax Revenues exceed the Budgeted Local Tax Revenues, the amount of excess revenue will be subject to the same treatment as similar revenues in the budget process for the immediately preceding fiscal year. However, any excess revenue is first subject to the General Fund Balance Reserve Policy. If such excess 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 their 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 and revert to the fund balance of the City's General Fund.
- 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 the Schools' reversion funds will be reduced by this difference. If actual debt is less than estimated debt payments, the amount of the Schools' reversion funds will be increased by this difference.
 - 6.3.4. The Schools' Office of Budget Development 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 the applicable policy for the Schools Reserve Fund.
 - 6.3.5.1. Upon receipt of the resolution, Budget and Management Services shall prepare an ordinance for City Council's consideration of the School Board's request at the earliest available City Council meeting.
 - 6.3.5.2. Following City Council's action, Budget and Management Services shall notify the Schools of the City Council's decision and shall adjust the accounting records accordingly.

7. Revision to the City/School Revenue Sharing Policy:

- 7.1. The Superintendent, City Manager, Schools' 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 the Superintendent will brief the City Council and the 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 the School Board, this Policy shall remain effective until June 30, 2024 at which time it will be reviewed and considered for reauthorization.

APPROVED:

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| As to Content: | <u>Dr. Aaron Spence</u> School Superintendent | <u>11/12/2019</u> Date |
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| | <u>Thomas M. Leahy</u> Acting City Manager | <u>11/13/2019</u> Date |
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| As to Legal Sufficiency: | <u>Mark D. Stiles</u> City Attorney | <u>11/13/2019</u> Date |
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| Approved by School Board: | <u>Beverly M. Anderson</u> School Board Chairman | <u>11/12/2019</u> Date |
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| APPROVED BY CITY COUNCIL: | <u>Robert M. Dyer</u> Mayor | <u>11/19/2019</u> Date |
|------------------------------|--------------------------------|---------------------------|

| Total General Fund, Non-Dedicated Local Taxes | FY 2023-24 | FY2024-25 |
|--|-------------------------|-------------------------|
| Real Estate | \$ 669,607,745 | \$ 700,281,996 |
| Personal Property | \$ 208,222,299 | \$ 206,725,457 |
| General Sales | \$ 91,916,310 | \$ 93,281,986 |
| Utility Tax | \$ 25,879,291 | \$ 25,879,291 |
| Virginia Telecommunications | \$ 17,245,958 | \$ 16,448,063 |
| Business License | \$ 58,742,554 | \$ 62,625,915 |
| Cigarette | \$ 7,260,669 | \$ 6,993,331 |
| Hotel | \$ 11,244,636 | \$ 11,477,696 |
| Restaurant | \$ 58,729,025 | \$ 62,047,929 |
| Automobile License | \$ 10,769,956 | \$ 10,639,555 |
| Bank Net Capital | \$ 4,673,001 | \$ 4,525,088 |
| City Tax on Deeds | \$ 11,129,106 | \$ 8,727,043 |
| City Tax on Wills | \$ 112,096 | \$ 103,664 |
| Total Non-Dedicated Local Taxes | \$ 1,175,532,645 | \$ 1,209,757,014 |
| Public Safety Dedication | \$ (7,383,953) | \$ (7,872,400) |
| Less Outdoor Initiative Dedication | \$ (3,470,458) | \$ (3,700,028) |
| Less EDIP Dedication | \$ (1,659,582) | \$ (1,598,476) |
| Less Stormwater Dedication | \$ (18,459,882) | \$ (19,680,999) |
| Less City Council Priorities | \$ (13,660,313) | \$ (14,563,939) |
| Total Local Taxes Net Dedications | \$ 1,130,899,209 | \$ 1,162,341,172 |
| Formula % | 46.75% | 46.75% |
| Revenue Sharing Formula Revenues | \$ 528,695,380 | \$ 543,394,498 |
| Hold Harmless 2.138 | \$ (15,786,891) | \$ (16,831,190) |
| Transfer to Schools | \$ 512,908,489 | \$ 526,563,307 |

*Hold Harmless Adjustment - allows for the redirection of General Fund revenues to defray the 4.1¢ dedication of the Real Estate tax necessary to support the Flood Protection Program Bond Referendum debt service.

On October 17, 2023 the City Council of Virginia Beach formally extended the Revenue Sharing Policy until June 30, 2025.



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 |

1.0 **Purpose and Need**

The citizens of Virginia Beach receive important, beneficial services from a wide variety of State, Federal, and private agencies, as well as from City programs which rely on funding from these agencies. These agencies are critical partners with the City and the School system in the provision of programs to our community. When these agencies terminate programming, reduce services, or curtail funding, it cannot be assumed that the City of Virginia Beach will maintain these programs. The City's ability to assume the financial responsibility for these services without significantly impacting other service areas which are solely the responsibility of the City, or without having to raise taxes, is limited.

The purpose of this policy is to formally adopt the City's long-standing practice of not automatically supplanting funds from State, Federal, or private agencies with local funds when those agencies reduce or eliminate funding to City or School programs.

2.0 **Policy**

It is the policy of City Council to prevent, to the extent possible, the shifting of financial responsibility for State, Federal, or privately funded programs to the citizens of Virginia Beach by not supplanting those funds with local funds when those agencies reduce funding to the various community programs that rely on that funding.

3.0 **Procedure to Accomplish Administrative Directive**

3.1 The Department of Management Services will provide information to the City Manager on a periodic basis that reports any reductions in funding from State, Federal, or private sources that are expected to adversely affect services to the citizens of Virginia Beach. When services are severely affected by such reductions, the City Manager and the Department of Management Services will determine what actions, if any, may be necessary to mitigate the impact on local services.

3.2 The City Manager will report to City Council any instances where reductions in State, Federal, or private funding will have a severe enough effect on services that Council action is necessary.

4.0 **Responsibility and Authority**

The Department of Management Services is responsible for reporting to the City Manager any reductions in State, Federal, or private funding that could have an effect on services provided to the citizens of Virginia Beach.

5.0 **Definitions**

Supplanting: For purposes of this policy, the substituting of local funds for reductions in State, Federal, or private funding.

State, Federal, and private agencies: Agencies of either the State or Federal governments, or non-governmental

agencies, that either provide funds to the City of Virginia Beach for the provision of local services or offer those services themselves directly to the citizens.

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| Approved as to Content: | <u>Catheryn R. Whitesell</u> | <u>02/05/01</u> |
| | Director/Administrator | Date |

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| Approved as to Legal Sufficiency: | <u>R.M. Blow</u> | <u>02/21/01</u> |
| | City Attorney | Date |

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| Approved: | <u>Steven T. Thompson</u> | <u>02/26/01</u> |
| | Chief Financial Officer | Date |

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|-----------|-----------------------|-----------------|
| Approved: | <u>James K. Spore</u> | <u>02/26/01</u> |
| | City Manager | Date |

| | | |
|-----------|----------------------------|-----------------|
| Approved: | <u>Meyera E. Oberndorf</u> | <u>02/26/01</u> |
| | Mayor | Date |



Administrative Directive

| | | |
|----------------------------|------------------------------|-----------------------|
| Title: Grant Management | | Index Number: AD 1.05 |
| Date of Adoption: 09/06/94 | Date of Revision: 02/14/2023 | Page: 1 of 7 |

1.0 Purpose and Need

Grant funds from the Commonwealth, the federal government, 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 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 derive the greatest benefit.

Departments are urged to solicit grants - especially where a grant will help achieve City Council goals, 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 in a sustainable manner?
- Will the grant provide only short-term financing for a long-term commitment on the part of the City?
- Is there a local match component included in the grant guidelines or assurances that would require General Fund revenue to support?

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.

2.0 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 supersede.

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 or through the Council Agenda Process. If the granting agency does not require the City Manager's signature, a signed memo of support from the City Manager must be obtained.

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.

3.0 Procedure to Accomplish Administrative Directive

A. Grant Application Phase

1. Operating Budget 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 Budget and Management Services staff (assigned budget analyst) of intent to apply for grant funding as soon as is practicable.
- **Step 4:** Department prepares grant application (with the Director's endorsement), routes it to other affected departments (including IT for those with technology components) and forwards a complete copy to Budget and Management Services, accompanied by the required grant forms (available on BEACHnet), including a signed designee authorization form. Submission to Budget and Management Services should be at least ten (10) business days prior to the application deadline. If this is not possible, notify Budget and Management Services staff.
- **Step 5:** Budget and Management Services evaluates the grant and forwards the application and recommendation to the City Manager via the Deputy City Manager for the department. In some instances, the City Manager's signature may be required on the application.
- **Step 6:** Once application or signed memo of support from the City Manager is approved and signed, the department submits grant application 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 assigned Budget and Management Services analyst that a 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 Budget and Management Services to obtain signature from the responsible Deputy City Manager and/or the City Manager. This signature process shall not occur until after City Council action, unless the grantor requires a more urgent acceptance of the funds.
- **Step 2:** Budget and 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, Budget and Management Services requests a grant number from Financial Services and enters the related budget journal in Oracle Financials Cloud. 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. 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 Oracle Financials Cloud.

Grant Review and Authorization:

- The specific process required for grant review is outlined on BEACHnet under the Grant Management link. This link includes the "City of Virginia Beach Grant Management Process" 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.
- **No grant application shall be submitted to a granting agency without prior review by Budget and 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 all required forms to Budget and 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 ten (10) business days to ensure that documentation is adequately reviewed by Budget and Management Services staff and allow routing and review by the appropriate member(s) of the Management Leadership Team.
 - Budget and 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 Budget and 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 Budget and 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 Budget and Management Services.
- A "Designee Authorization Form" should be completed and signed as well (available on BEACHnet under 'FINANCE - Grants').
- 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 Grant To Purchase Technology and Physical Assets:

- The submitting department is responsible for routing grants that have technology components associated with them to Information Technology during the application phase. The department is responsible for coordinating all technology equipment and infrastructure needs with Information Technology staff after submission of the grant.
- The submitting department is responsible for routing grants that have vehicle or motor equipment components associated with them to the Public Works Department/Fleet Management. The department is responsible for coordinating and acquisition, maintenance, and repair needs with Fleet Management 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 Budget and

Management Services/Financial 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, Budget and 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 Deputy City Manager prior to submission to the granting agency for budgeted grants.
- It is still necessary for the requesting department to forward any documentation to Budget and Management Services for signature by an appropriate member of the MLT and inclusion in central filing.
- The department must notify Budget and 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:

- The budgetary controls that are applied to operating budget appropriation units also apply to grants. In general (exceptions are outlined below), the grant controls apply first to the grant number, then the department 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 also have the same controlled accounts applied: Reserve for Contingencies (691s), Personnel Services (601s Salaries and 602s Benefits combined), Operating Expenses (603s to 606s combined), Leases and Rentals (607s), Controlled Assets (608s), Capital Outlay (609s), and Debt Service (670s). These categories cannot exceed appropriations for those accounts. Part-time salaries and capital outlay are controlled at the line-item level in Oracle Financials Cloud.
- Grants involving FEMA-Team deployments and certain housing grants that are subject to special circumstances are the exceptions to the application of the above Oracle Financials Cloud 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. This would not apply to funding that is programmed or planned in future years.

4.0 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 Budget and Management Services and approved with signature by the responsible Deputy City Manager 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 available on BEACHnet under 'FINANCE-Grants'.

A. City departments are responsible for the following:

1. Seeking grant funding for identified needs that are not otherwise funded.
2. Forwarding all documents to BMS to obtain all required signatures pertaining to the grant application and grant acceptance at least ten days prior to the due date.).
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. 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.
6. Developing agenda requests for resolutions as required by granting agencies.
7. Administering the grant-funded program and ensuring that all City policies are followed, and all grant requirements are met.
8. Ensuring that grant expenditures are allowable within the awarded grant funding and in accordance with Uniform Guidance OMB 2CFR200.
9. Coordinating with the City's Finance Department to ensure that grant funding is requested and received in a timely manner.,
10. Department to upload grant award letter in Oracle Financials Cloud.
11. 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.
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 five (5) years, unless the grantor specifies a longer duration.
14. Notifying the Office of the City Auditor of any contact from the granting agency or other external agency concerning an audit or review.
15. Notifying the Office of the City Auditor 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 Budget and 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 when available
 - 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. Requesting grant numbers for awarded grants through Financial Services 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 Oracle Financials Cloud.
7. Providing grant training on grant reporting and accounting on an annual basis.
8. Establishing grant numbers in Oracle Financials Cloud and InSITE (Oracle EBS) when requested.

D. The Department of Human Resources is responsible for the following:

1. Assigning position control numbers to full-time grant positions.
2. Processing a grant-funded position out of the system after receiving notification that the grant has been discontinued.

E. The Office of the City Auditor 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.

5.0 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 formula 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 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.

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.

✓ **Local Match Requirement:** the amount a granting agency requires the City to contribute toward the award. The required match percentage, sources of match, and other requirements vary from program to program.

Uniform Guidance OMB 2CFR200- establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities

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:



Director of Budget and Management Services

2/6/23
Date


Director of Finance

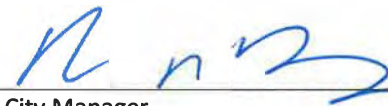
2/7/23
Date

Approved as to Legal
Sufficiency:


City Attorney

2/10/23
Date

Approved:


City Manager

2/14/23
Date

Administrative Directive

| | | |
|--|-----------------------------|-----------------------|
| Title: Budget and Capital Improvement Program Administration | | Index Number: AD 7.01 |
| Date of Adoption: 7/1/92 | Date of Revision: 2/15/2021 | Page 1 of 6 |

1.0 **Purpose and Need**

The Annual Operating Budget Appropriation Ordinance authorizes the City Manager or the Director of Budget and 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.

This Directive is necessary to:

- Maintain the requirements of the City Charter, the City Code, the Annual Operating Budget Appropriation Ordinance, and the Capital Improvement Program Appropriation Ordinance.
- 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 are not exceeded, without prior approval of Council.
- Provide a framework for responsible expenditure decisions.
- 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 offices, agencies and departments shall administer their operating budgets in accordance with this directive.

3.0 **Procedure to Accomplish Administrative Directive**

The Department of Budget and Management Services is responsible for coordinating the City's Resource Management Plan (i.e., the Operating Budget and CIP) and making recommendations to the City Manager. Budget and Management Services shall act as the City Manager's designee in the approval of appropriation transfer requests. Budget and Management Services will coordinate annual Operating Budget and CIP development training.

All related forms are available on the Department of Budget and Management Services Beachnet Site. Detailed instructions and overviews of procedures are also described on the site. Forms can be submitted electronically. Only employees whose signatures are on file with Budget and Management Services are authorized to sign and/or transmit transfers.

Any transfer between or within controlled accounts will require submission of a Budget Adjustment Request form or Redefinition of Funds Letter to be approved by Budget and Management Services. The departments should send these requests directly to Budget and Management Services. Budget and 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; or 4) increases

permanent positions. All appropriations of funds require an affirmative vote by a majority of all members of the City Council. Departments must follow the Agenda Process for these requests.

All requests for new programs or significant expansion of programs will be reviewed by Budget and Management Services with recommendations provided to the City Manager or designee as to the appropriateness of the request. 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.

Department Directors may appeal the disapproval of funding requests by Budget and Management Services staff 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

A. Department Directors have a responsibility to ensure that:

- 1) The expenditures and encumbrances do not significantly 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.
- 2) The appropriation units remain balanced (within each fund in a department's budget) so that the aggregate total of expenditures and encumbrances does not exceed the aggregate total of the adjusted appropriations in each appropriation unit.
- 3) The estimated revenues which support each program are or will be realized by the City, and that Special Revenue, Internal Service Funds, and Enterprise Funds do not expend more than the fund is anticipated to receive by the conclusion of the fiscal year.
- 4) Departments conform to the policies and procedures of the City's Grant Management Process, as described in Administrative Directive 1.05.
- 5) The total expenditures for Personnel Services (601s and 602s), Leases (607s or 680s), Capital Purchases (608s), and Capital Improvements (690s), do not exceed appropriations within those accounts for their department within a fund.
- 6) 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 by department within a fund.
- 7) The aggregate total of expenditures and encumbrances within Capital Improvement Projects do not exceed the aggregate total of appropriations within a project.
- 8) The expenditures within a Capital Improvement Project are allowable expenses as defined by the project scope of work. Any questions regarding project scope of work should be referred to Budget and Management Services for review.

B. Department Directors are authorized to perform the following:

- 1) 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, but the Appropriation Unit must balance in total.
- 2) Request a personnel transaction (i.e., promotion, career progression or reclassification) provided that existing budgetary funds are available in the salary and fringe benefit accounts within the cost center to offset any increase in expenditures. Personnel transactions are submitted for approval by Human Resources. For reclassifications associated with vacant positions, the Department of Human Resources will work with the Department of Budget and Management Services before finalizing the

recommendation with the submitting department. 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.

- 3) Prepare a Budget Adjustment Request or prepare a City Council Agenda Request, where applicable. (See Section 4.0-C City Manager and Section 4.0-D City Council for requirements of these requests.)
- 4) Request a redefinition of Capital Outlay appropriations via submission of a letter (or e-mail) to Budget and Management Services indicating the justification for the request and the reason that there is available funding to be redefined. Redefinitions are needed when a department would like to modify approval capital outlay items within the same capital outlay object code.

- C. The City Manager, the Director of Budget and Management Services or their designees, are 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 the Director of Budget and Management Services or their designees to:

- 1) Transfer appropriations up to \$100,000 to or from controlled accounts, between appropriation units, from Reserves for Contingencies accounts, or between capital projects. The City Manager approves transfers between \$25,000 and \$100,000 and provides a monthly report to City Council of the transfers between \$25,000 and \$100,000.
 - a. Transfers to and from controlled accounts (especially personnel accounts) will be evaluated on a case-by-case basis to determine the nature of the request. Criteria for consideration include: 1) the request results from a mandate, 2) the request constitutes a change in operating policies and procedures as a result of direction from the City Manager, and 3) if the impact of not immediately implementing the request would disrupt service delivery (i.e., why request cannot wait until the next budget process).
 - b. Requests for transfers from Reserves for Contingencies will not be considered unless Budget and 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.
- 2) Transfer positions between cost centers, divisions, and departments, subject to the \$100,000 limit on transfers.
- 3) Approve and redefine the use of appropriations for specific Capital Outlay items (608s and 609s).
- 4) The City Manager may temporarily 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.
- 5) Transmit items to City Council for adoption.
- 6) Decrease estimated revenues and corresponding appropriations to reflect expected revenue collections. City Council must be notified of reductions greater than \$100,000.
- 7) Transfer appropriated funds and existing positions as necessary to implement organizational adjustments authorized by the City Council. The City Manager shall report to City Council regarding the status and progress of any such organizational adjustments on an annual basis.
- 8) 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.
- 9) Transfer from dedicated Reserves for Contingencies that have funding for a specific purpose.

- 10) Coordinate with the Department of Finance to align the budget document and financial controls with the expressed intent of City Council.
- D. City Council, in its legislative discretion, may 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:
- 1) Amend original appropriations through supplemental appropriations of additional revenue, fund balance or retained earnings.
 - 2) Amend the Operating Budget and Capital Budget through the transfer of appropriations that exceed \$100,000.
 - 3) Increase the total number of permanent positions.
 - 4) 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 Operating Budget or CIP by the City Manager or his designee will require City Council action.
 - 5) Initiate a new capital project.
 - 6) Carry-forward appropriations which were authorized but not completed prior to the end of the fiscal year. These requests are reviewed by Budget and Management Services for appropriateness and to ensure that there is sufficient fund balance to meet City Council policies. Funding for leases, travel, salaries, or fringe benefits are not eligible to be carried forward.

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 – Personnel 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 computer application-related subscriptions, automotive services, fuel, internal telecommunications, and risk management.
- **605s and 606s – Other Charges and Supplies:** Expenditures for all other purposes such as utilities, external telecommunications, office supplies, furnishings, uniforms, professional development, travel and membership dues.
- **607s – Leases and Rentals:** Leases not capitalized and rental of land, structures, and equipment.
- **608s and 609s – Capital Outlay:** Expenditures resulting in the acquisition of, or addition to, fixed assets which cost \$5,000 or more each.
- **680s – Lease Amortization:** Leases related to capital projects that must be amortized.
- **690s – Land Structures and Capital Improvements:** Major capital facilities, with a total cost equal to or greater than \$250,000, that are constructed or acquired, such as land or buildings, and alterations to existing properties. Accounts in this category are used in the Capital Improvement

Program. Any project with estimated cost equal to or greater than \$250,000 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 Operating and Capital Improvement Program Budgets are 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 Program 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 (see Attachment A to the Operating Budget 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.

Carry-forward: Carry-forward appropriations which were authorized but not completed prior to the end of the fiscal year. Criteria for Carry-forward appropriations are: 1) the funds shall remain in the same fund, department, cost center, 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; 5) the item to be carried forward must be critical to the mission of a program or service offered by the City; and, 6) the requesting department must be able to demonstrate why funding could not be expended within the fiscal year.

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 Personnel Services (601s), Fringe Benefits (602s), Capital Outlay (608s and 609s), Leases (607s and 680s), Land Structures and Capital Improvements (690s), 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 2,080 hours annually), employed a minimum of 40.0 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: Commonly referred to as retained earnings, net assets or net position 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. It must be authorized for expenditure (appropriated) by Council prior to spending. Any use of fund balance 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 and Deputy City Managers.

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 and Supplies (605s and 606s).

Part-Time Employee: A City employee who is scheduled to actually work less than 40 hours per consecutive week, or an employee who is scheduled to actually work 40 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 within the same account.

Resource Management Plan: Documents that outline the expenditures, personnel and revenues needed for financing the annual operations, services and programs of the City government. The Plan 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: _____
Director, Budget and Management Services Date

Approved as to Legal Sufficiency: _____
City Attorney Date

Approved: _____
Deputy City Manager Date

Approved: _____
City Manager Date

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.
- **Personnel 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, information technology, 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 farmland.

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.

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.

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, etc.).

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 Personnel Services (601s), Fringe Benefits (602s), Capital Outlay (608s), 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 Equivalent (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.

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, Assistant City Manager, and 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 disbursement 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.

Personnel 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.

Public Facility Revenue 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.

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.

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.

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 was 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.

Chesapeake Colony Dredging Special Service District - Supports the special service district in the Chesapeake 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 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.

Emergency FEMA Grant Fund – This fund provides a place for funding the activities of FEMA Task Force 2 within the Fire Department.

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.

Flexible Benefits Forfeiture Internal Service Fund- Accounts for unused health care and dependent-care Flexible Spending Account (FSA) funds forfeited by employees. Employees must generally use the funds by the end of the plan year or forfeit the remaining amount. A health care FSA plan allows a reasonable time for employees to submit claims after the plan year-end for expenses incurred by plan year-end. Employers can offer a carryover provision of a designated amount to give employees more time to use their funds, which VB adopted. However, the application of § 214 of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 provides temporary special rules for health care FSAs and dependent care assistance programs. This COVID-19 relief temporarily relaxes flexible spending account rules to allow employers to mitigate participant losses under health care and dependent care FSAs.

Flood Protection Referendum Fund - Accounts for expenditures and revenues generated by normal operations of the Flood Protection Program as established by referendum during the election on November 2, 2021.

Flood Protection Capital Project Fund – Provides the funds for the procurement, planning, design, construction, and utility relocation associated with the Virginia Beach Flood Protection Program. The phase one projects will be focused in the Linkhorn Bay Drainage Basin, Central Beach District, Eastern Shore Drive Phase I, Chubb Lake/Lake Bradford Area, Southern Watershed, and the Windsor Woods/Princess Anne Plaza/The Lakes areas. The Flood Protection CIP receives help from the Flood Protection Referendum Fund in terms of revenues.

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 Debt Fund- The fund is utilized to make principle payments to individual landowner participants of the Agriculture Reserve Program.

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.

Information Technology Special Revenue Fund – funds the subscriptions, the computer replacement program, data center operations, and the service desk operations.

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.

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. The goal of the Open Space Program is to identify, acquire, and preserve real estate for future recreational development in the City. Outlined in an Outdoors Plan developed by the Department of Parks and Recreation, the program calls for the preservation of 5% of the City's land for parks, trails, or natural vistas.

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 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.

Schilling Point Dredging Special Service District- Supports the special service district in the Schilling 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.

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.

Social Services Gift Fund- Provides funding for various Human Services related needs. It derives its revenues from cash donations received annually from citizens for designated and un-designated purposes related to Human Services programs and activities

Stormwater 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.

Stormwater 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.

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.

Water and Sewer Enterprise 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 |
|---------|---------------------------------------|---|
| 4-H | Head, Heart, Hands, and Health | 4-H serves as a model program for the practice of positive youth development by creating positive learning experiences; positive relationships for and between youth and adults; positive, safe environments; and opportunities for positive risk taking. |
| 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. |
| ACT | Assertive Community Treatment | An evidence-based practice that improves outcomes for people with severe mental illness who are most at-risk of psychiatric crisis and hospitalization and involvement in the criminal justice system. |
| 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. |
| ADR | Average Daily Rate | The average rental revenue per occupied room at a given time. To find ADR, divide total room revenue by the number of rooms sold. |
| A-EMT | Advanced Emergency Medical Technician | They provide basic and limited advanced emergency medical care and transportation for critical and emergent patients who access the emergency medical system. |
| 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. |
| ACFR | Annual Comprehensive Financial Report | The City's audited financial statement at the end of a given fiscal year. |
| APS | Adult Protective Services | Establishes and/or strengthens appropriate family and social support systems in order to protect and prevent adults at risk of abuse, neglect, or exploitation. |
| APZ-1 | 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. |
| ARPA | American Rescue Plan Act | Economic stimulus package passed in congress in 2021 to provide support for state, local, and Tribal governments to fight the pandemic – and for families and small businesses across the country to help offset its economic disruptions. |

| Acronym | Title | Description |
|---------|--|--|
| 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 farmland. |
| ATV | All-Terrain Vehicle | A motorized off-highway vehicle. |
| AVID | Advancement Via Individual Determination | A national program for students designed to support and assist all students to succeed in a college preparatory path for admission to universities and colleges. |
| BHDS | Behavioral Health and Developmental Services | Responsible for planning, organizing, and providing treatment and services for people in our community who have Behavioral Health and/or Developmental Disabilities. |
| 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. |
| CARES | Coronavirus Aid, Relief, and Economic Security Act | A bill passed by congress in March 2020 that provided fast and direct economic aid to the American people negatively impacted by the COVID-19 pandemic. |
| 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. |

| Acronym | Title | Description |
|----------|---------------------------------------|--|
| 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. |
| CDC | Centers for Disease Control | The nation's leading science-based, data-driven, service organization that protects the public's health. |
| 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. |
| COOP | Continuity of Operations Plan | A plan to maintain City operations during an emergency. |
| COVID-19 | Coronavirus Disease of 2019 | A disease caused by the novel coronavirus SARS-CoV2 that was declared a global pandemic by the World Health Organization (WHO) in March 2020. |
| CJIS | Criminal Justice Information Services | Standards which describe the appropriate controls to protect the sources, transmission, storage, and access to data criminal justice information. |
| 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." |
| CPS | Child Protective Services | Government agency responsible for protecting children if the children are experiencing abuse or neglect as defined by Virginia state and federal law. |
| CSA | Children's Services Act | A single state pool of funds to support services for eligible youth and their families. State funds, combined with local community funds, are managed by local interagency teams who plan and oversee services to youth |

| Acronym | Title | Description |
|---------|---|--|
| CSB | Community Services Board | A service responsible for providing a range of behavioral health services. |
| CTE | Career and Technical Education | A program that offers cutting-edge career and technical experiences for students to explore a wide range of high-wage, high-skill, high-demand career pathways. |
| CYBH | Child and Youth Behavioral Health | The division offers an array of services designed to assist children and adolescents who are experiencing emotional difficulties, behavior problems and/or substance abuse. |
| DMV | Department of Motor Vehicles | A state agency responsible for issuing driver's licenses and issuing automotive tags. |
| DUI | Driving Under the Influence | The offense of driving, operating, or being in control of a vehicle while impaired by alcohol or other drugs, to a level that renders the driver incapable of operating a motor vehicle safely. |
| EAP | Employee Assistance Program | Provides assessment, counseling, and referral services designed to assist employees in resolving personal problems which may impair job performance, thereby enhancing productivity and reducing absenteeism and turnover. |
| EDIP | Economic Development Investment Program | This program enables the city to successfully retain existing employment opportunities and create new jobs while substantially enhancing the local tax base. These funds are leveraged by business for off-site utility improvements/ upgrades, road improvements, traffic signal improvements, regional storm water facilities, and site preparation for land purchased from the Virginia Beach Development Authority (VBDA). |
| EEO | Equal Employment Opportunity | A federal law banning the practice of employment discrimination based on race, religion, national origin, creed, sex, etc. |
| EMS | Emergency Medical Services | A city department that provides emergency rescue services using certified volunteers and career medics and provides lifeguard services at Sandbridge Beach. |
| EPA | Environmental Protection Agency | A federal agency that was created for the purpose of protecting human health and the environment by writing or enforcing regulations based on laws passed by Congress. |
| ERU | Equivalent Residential Unit | It is 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 2,269 square feet of impervious surface area. |
| ESEA | Elementary and Secondary Education Act | A national program that recognizes schools that have successfully used their Elementary and Secondary Education Act (ESEA) federal funds to improve the education for all students. |

| Acronym | Title | Description |
|---------|--|---|
| 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. |
| FMLA | Family and Medical Leave Act | A federal act that entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave. |
| 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. FTEs 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. |
| 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. |
| HIVE | Business Resource Center | A center designed to support an innovative and entrepreneurial ecosystem in Virginia Beach. The HIVE offers mentorship, networking, and a variety of fundamental resources to those who need them. |

| Acronym | Title | Description |
|---------|--|---|
| HOME | HOME Investment Partnership Act Program | A federal formula block grant program that provides funding to states and localities to create affordable housing for low-income households. Communities use these funds, often in partnership with local non-profit groups, to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. |
| HRSD | Hampton Roads Sanitation District | Political subdivision of the Commonwealth of Virginia serving 20 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. |
| 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. |
| LOD | Leadership and Organizational Development | Supports arts and humanities leaders' (professional administrators and board members) acquisition of skills and practical tools which hone their ability to lead, develop, and sustain the overall health and vitality of arts and humanities organizations. |
| 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, Assistant 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. |
| MRC | Medical Reserve Corps | A force of dedicated volunteers who stand ready to support the community in the event of a public health emergency. |
| NADA | National Automobile Dealers Association | The national automobile association that is the City's source for personal property assessments. |
| 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. |

| Acronym | Title | Description |
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| NSF | National Science Foundation | A federal agency that supports science and engineering in all 50 states and U.S. territories through grants. The body promotes the progress of science, advances national health, prosperity, and welfare, and secures the national defense. |
| OFP | Office of Farmland Preservation | This office works with other governmental and private organizations to help establish local purchase of development rights (PDR) programs by creating model policies and practices, establishing criteria to certify programs as eligible to receive funds from public sources, and determining methods and sources of funding for localities to purchase agricultural conservation easements. |
| 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. |
| PACTS | Princess Anne County Training School-Union Kempsville High School | The first black high school in Virginia Beach. |
| PCIT | Parent Child Interaction Therapy | An evidence-based treatment for young children with behavioral problems. |
| PPTRA | Personal Property Tax Relief Act | By state law, Virginia offers tax relief for vehicle taxes. The state will subsidize the taxes owed on the first \$20,000 of a vehicle's assessed value. This state tax relief is only available for personal vehicles (Personal Property Tax Relief Act of 1998). |
| RevPAR | Revenue per Available Room | This is calculated by multiplying a hotel's average daily room rate by its occupancy rate. It can also be calculated by dividing total room revenue by the total number of rooms available in the period being measured. |
| ROW | Right-of-Way | A strip of land that is granted through an easement or other mechanism for certain purposes (i.e., transportation). |

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| RSF | Revenue Sharing Formula | A formula whereby the city and schools share revenues by a defined formula. |
| SGA | Strategic Growth Area | City's growth strategy to accommodate and absorb urban growth with a focus on planning and infrastructure. |
| 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. |
| 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. |
| SRF | Special Revenue Fund | It is used to record the proceeds from specific revenue sources for which the fund usage is restricted. |
| SSD | Special Service District | A defined area within the city where special services are rendered, and the costs of the special services are paid from revenues collected from service charges imposed within that area. |
| STEP-VA | Virginia System Transformation Excellence and Performance | An innovative initiative for individuals with behavioral health disorders featuring a uniform set of required services, consistent quality measures, and improved oversight in all Virginia communities. |
| STOP | State Vehicle Registration Withholding Program | A program where delinquent taxpayers are prohibited from registering their vehicles until payment is made to the City Treasurer's Office for unpaid/delinquent taxes along with a DMV processing fee. |
| STRIPS | Separate Trading of Registered Interest and Principal of Securities | Treasury STRIPS are bonds that are sold at a discount to their face value. The investor does not receive interest payments but is repaid the full-face value when the bonds mature. That is, they mature "at par." |
| SWaM | Small, Women-owned, and Minority-owned Business | Is a certification program of the Commonwealth of Virginia to enhance procurement opportunities for SWaM businesses participating in state-funded projects. |

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| 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. |
| 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. |
| TAT | Threat Assessment Team | A team to review and make recommendations related to employee issues to ensure appropriate immediate response. |
| TBRA | Tenant Based Rental Assistance | Provides payments to make up the difference between the amount a household can afford to pay for housing and the local rent standards. Other TBRA programs help tenant pay for costs associated with their housing, such as security and utility deposits. |
| TIF | Tax Increment Financing | Public financing tool that uses the revenues generated by the growth in value of a designated area to fund capital improvement projects within that area. |
| TIP | Tourism Investment Program | Provide the necessary opportunities for future strategic growth areas, maintenance of the resort area, beach events, as well as economic development projects. This program provides funding for tourism related capital projects and initiatives and is supported by dedicated revenue streams. |
| VBCERT | Virginia Beach Community Emergency Response Team | A program that educates citizens in disaster preparedness and trains them in basic disaster response skills, such as: fire safety, light search and rescue, team organization, and disaster medical operations. |
| 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. |
| VBGIGs | Virginia Beach Globally Inspired Gatherings | A series of free and low-cost public performances taking place throughout the City in public spaces and performance venues. It aims to bring world-class, culturally rooted performing artists to Virginia Beach residents in their neighborhoods and nearby venues. |

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| VDACS | The Virginia Department of Agriculture and Consumer Services | The department promotes the economic growth and development of Virginia agriculture, provides consumer protection, and encourages environmental stewardship. |
| 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. |
| VDSS | Virginia Department of Social Services | Responsible for administering a variety of programs, including Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Medicaid, Adoption, Child Care Assistance, Refugee Resettlement Services, and Child and Adult Protective Services. |
| VMRC | Virginia Marine Resources Commission | Manages saltwater fishing and associated habitat, for both recreational and commercial species to create and maintain sustainable fisheries for the benefit of all anglers and the ecosystem. The Agency also manages water bottoms in public trust for the citizens of the Commonwealth balancing both public and private interests. |
| VOIP | Voice-Over Internet Protocol | Protocol optimized for the transmission of voice through the internet or other packet-switched networks. |



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