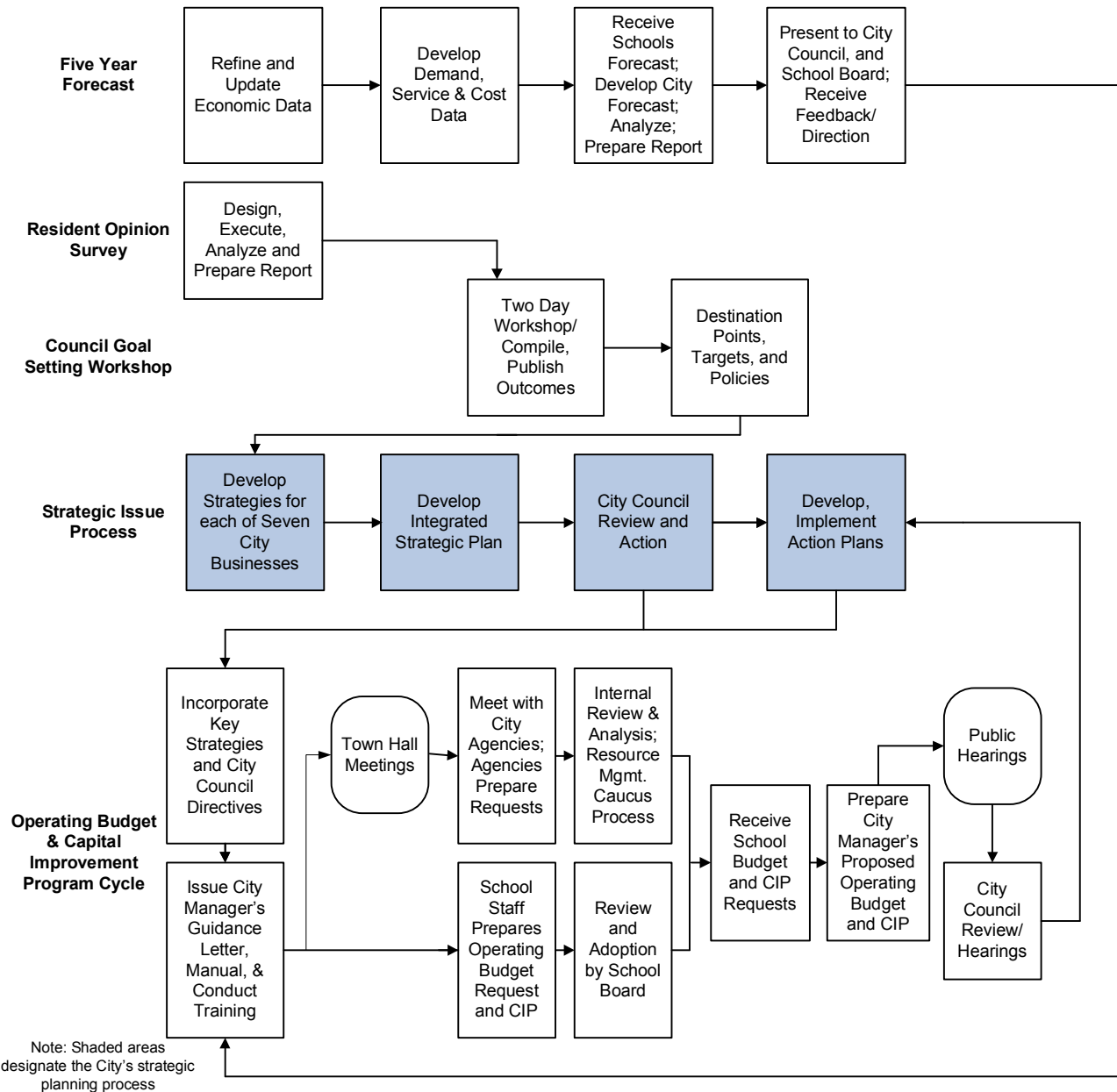


## Resource Management Process Overview

The chart below provides a graphic view of the City's strategic planning and resource allocation process:



### Legal Framework

**Submission of the Budget** - The City Manager shall submit to the City Council a budget and a budget message at least 90 days prior to the beginning of each fiscal year.

**Balancing of the Budget** - As required by Section 5.04 of the Virginia Beach Charter, the budget recommendation by the City Manager must be balanced with revenues equal to expenditures. If expenditures exceed the receipts estimated, the City Manager shall either recommend an increase in the tax rates on real estate, tangible property, or other new or existing items, or recommend a reduction in expenditures. If estimated receipts exceed estimated expenditures, the City Manager may recommend revisions in the tax and license ordinances to bring the budget into balance.

**School Budget** - The City's operating budget incorporates the budget for educational purposes. The School Board submits a School Board approved budget to the City Council and the City Manager. The City Manager may recommend a revised School budget. City Council considers the School budget as part of the total operating budget and may appropriate funds based on categories established by State law, or by lump sum. In FY 2009-10, the City Council voted to allow lump sum appropriations to the School system.

**Base Level Budget Ordinance** - In March 2005, the City Council adopted an ordinance, sponsored by Council Member Schmidt, which requires the biennial operating budget to be presented with real estate tax revenue grown only by new construction. All other revenues of the government are allowed to reflect their normal growth. The anticipated growth in real estate tax revenue, which results from the growth in assessments, is held off at the base level of the budget. Then, in priority order, programs which would require the use of the growth are added back.

**Public Hearings on the Budget** - Section 5.07 of the Virginia Beach Charter requires City Council to hold a public hearing on the budget as submitted. Notice of the public hearing is published not less than seven days prior to the date of the hearing. As a practice, the City Council holds two such hearings each year. The City Council also holds several workshops to discuss the budget and to seek answers to questions concerning the proposed budget.

**Adoption of the Budget** - After the public hearing, City Council may make changes in the budget as it may determine. Following its revisions, the City Council then adopts the budget at one reading. To meet State requirements, the City must adopt a budget by May 15. If the City Council does not adopt a budget by 30 days prior to the start of the fiscal year, the City Charter requires that the City Manager's proposed budget take effect on July 1.

**Amending the Adopted Budget** - The City Council may amend the budget from time to time during the fiscal year. The City Manager may transfer funding in amounts in accordance with the Operating Budget Ordinance. Section 2-187.1 of the Virginia Beach City Code states that supplemental appropriations which exceed 1% of the total revenue shown in the currently adopted budget must be accomplished by publishing a notice of a meeting and public hearing seven days prior to the meeting date.

**Amending the Adopted Capital Improvement Program** - The Capital Improvement Program and the Capital Budget are governed by City Code Section 2-195 which parallels the requirements of the City's Operating Budget.

**Budget Administration** - The legally appropriated funding level determines the spending limits for municipal operations. The City Manager establishes additional controls to assist in managing departmental operations within the amounts and intent approved by City Council. Departments/Agencies are allowed, during the fiscal year, to make adjustments within their appropriation limits through the transfer process; the City Manager may transfer up to \$100,000 on his signature; and the City Council must approve transfers over \$100,000.

**Resident Opinion Survey** - A bi-annual citizen's survey is conducted to assist in evaluating City services and identifying areas in need of attention. One purpose of the survey is to provide City Council and departments with statistically valid citizen usage rates and perceptions regarding City services.

**Council Goal Setting Workshop** - An annual two-day City Council workshop is held to review the City's progress, assess its direction, and identify and discuss issues and priorities. The results of this workshop include a Policy Agenda which identifies 1) long-term priorities for a five-year period and 2) shorter-term targets for action. These goals and targets then become a part of management's planning, action, and monitoring process. They are incorporated in the Operating Budget and CIP preparation guidelines and review.

**Strategic Issues Process** - In order to develop implementation plans for attaining the City Council goal areas, the City Manager and Management Leadership Team (MLT) established a series of Director-level teams. Each Strategic Issue Team (SIT), comprised of members from other departments, was charged with a specific goal area or sub-goal area (see discussion of each team's mission included in the City Council Goal Section of this document). The teams examine the root causes, key factors, and driving forces of the issue defined. They work to examine viable alternatives and define potential

strategic actions. (This process does not automatically assume the need for additional funds, but often the need to redirect existing funds to higher priority areas).

**Five-Year Forecast** - Each year an updated five-year forecast of revenues and expenditures for School and City programs is prepared and presented to City Council and the School Board. The forecast is designed to provide long-range financial and program information to the City Council and the School Board and to serve as a forum policy review.

**Operating Budget Process** - The traditional process of departments requesting funds for their existing and proposed programs; the budget office reviewing those requests and making a recommendation to the departments on resource levels; the departments then appealing their concerns over those recommendations to the City Manger who refereed between the competing needs; and then the City Council reviewing and ultimately approving a package of resources, programs and services for the upcoming fiscal year has been replaced with a process which broke through these traditional roles and pulled the players together to jointly make decisions.

A Resource Management Caucus, comprised of the City Manager, the Department of Management Services staff and SIT, sets priorities and provides 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.

- The departments prepare their resource requests in accordance with the program needs and issues and in response to the Strategic Plan.
  - A description of the department, its mission, objectives, and performance indicators.
  - Funding requests necessary to maintain the same levels of effort/service delivery as provided during the current fiscal year.
  - Funding requests necessary to meet known increases in demand for existing services.
  - Requests for expansion of services or new programs are submitted to Management Services through program proposals in order to present the caucus with a systems view of the programs being proposed.

The requests are submitted to the Department of Management Services where they are analyzed for accuracy, completeness, and policy consistency.

- The Department of Management Services is responsible for all the revenue estimates. In addition, the department with the help of others facilitates the Resource Management Caucuses.
- Summaries of each department's unfunded requests and information on revenues are provided to the Resource Management Caucus for information and review. These summaries illustrate any gap between service needs and revenues.
- The Resource Management Caucus, through a series of meetings involving brainstorming, priority setting, and facilitated small group discussions, works through the issues and funding priorities based on strategic considerations.
- The City Manager reviews the priority recommendations and finalizes the services to be included in the upcoming budget.
- The City Council receives the Operating Budget and Capital Improvement Program, no later than April 1, for their consideration. As part of their review process, the City Council holds several workshops with the department directors to discuss issues and concerns. In addition, they hold two public hearings to receive public input for the proposed plan. Final action on the Operating 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. City-wide indicators assess outcomes at the City-wide and/or community levels within each of the major business areas of the City. In addition, the City regularly benchmarks programs against regional cities and best practices.

**Capital Improvement Process** - The development of the six-year Capital Improvement Program (CIP), from the distribution of forms to adoption by the City Council, requires approximately 160 days. The process begins with the allocation of target funding levels based on prior years' CIPs and expected availability of financing. The development of the program requires coordination and cooperation from many departments. The following have major responsibilities in producing the CIP:

- Department of Planning and Community Development participate in transportation project planning and prepare the Comprehensive Plan regarding land use development.
- Department of Management Services (DMS) coordinates the overall process, determines funding and budget plans, provides technical assistance to departments, and makes recommendations. The CIP Focus Group consists of members from each department submitting CIP project requests and financing. The purpose of this group is to foster communication and coordination regarding the City's capital improvement projects.
- Departments responsible for submission of Capital Improvement Project requests are:
  - Schools Division: schools and educational facilities;
  - Public Works: roadways, storm water, and coastal projects;
  - Convention and Visitor Development: economic and tourism development projects (in cooperation with Public Works);
  - Management Services: new City buildings, renovation, site work, or expansion;
  - Parks and Recreation: parks and recreational facilities; and,
  - Public Utilities: water and sewer lines, mains, pumps, and related facilities.

The Department of 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 members of each functional area, Strategic Issue Team leaders, and the Management Leadership Team. The CIP Caucus, like the Operating Budget Caucus, reviews the requested items (in the case of the CIP projects) that are above the basic level of funding to determine priorities.

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 held to allow the public 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 in the public libraries, City Hall, and on the City's website [www.vbgov.com](http://www.vbgov.com). Public notices, which present highlights of the Plan, are published in the local newspaper.

### **Resource Management Plan Calendar -**

#### **October**

*10/02/09 - 12/04/09* - Departments along with their assigned analysts from Management Services spend the next two months developing individual program resource requests and entering the data into the Budget and CIP databases.

10/02/09 - The Department of Management Services develops a target computation.

10/02/09 - Resource Management Caucus meets to discuss targets and to set the process for the FY 2010-11.

10/28/09 - Town Hall Meeting for Kempsville and Centerville Districts at Larkspur Middle Schools.

### **November**

11/05/09 - Town Hall Meeting for Bayside and Lynnhaven Districts at Princess Anne High School.

11/17/09 - Five-Year Forecast is presented to City Council, detailing the City's financial position over the next five years and other economic trends affecting the City.

11/18/09 - Town Hall Meeting for Rose Hall and Beach Districts at Green Run High School.

11/20/09 - Capital Improvement Program requests are due to the Department of Management Services.

### **December**

12/03/09 - Town Hall Meeting for Princess Anne District at Kellam High School.

12/04/09 - Departmental budget requests are due to the Department of Management Services.

### **February**

02/03/10 – Directors Caucus meets to prioritize new and unfunded existing programs to recommend for inclusion in the Resource Management Plan.

02/09/10 - School Superintendent submits Estimate of Needs for FY 2010-11 to the School Board.

### **March**

03/16/10 - Adoption of Schools Operating Budget and Capital Improvement Program by the School Board.

03/30/10 - Proposed Resource Management Plan is presented to the City Council.

### **April**

04/08/10 - City Council Workshop on the Proposed Resource Management Plan.

04/13/10 - City Council Workshop on the Proposed Resource Management Plan.

04/20/10 - City Council Workshop on the Proposed Resource Management Plan.

04/22/10 - Public hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.

04/27/10 - City Council Workshop on the Proposed Resource Management Plan.

04/27/10 - Public hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.

### **May**

05/04/10 - City Council Reconciliation Workshop on the Proposed Resource Management Plan.

05/11/10 - Public hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.

05/11/10 - Adoption of the Resource Management Plan.

## Accounting and Budgeting Basis

The accounting, budgeting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are budgeted and accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under 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 City considers property taxes as available if they are collected within 45 days after year end. Expenditures are recorded when the related fund liability is incurred, if measurable (except for unmatured interest on general long-term debt which is recognized when due and paid).

The following is a list of the major revenue sources, which meet the "susceptible to accrual" criteria:

- General Property Taxes
- Interest on Deposits
- General Sales Taxes
- Revenue from the Commonwealth
- Revenue from the Federal Government
- Utility Taxes
- Amusement Taxes
- Hotel Taxes
- Restaurant Taxes

All Proprietary Funds are budgeted and accounted for on a flow of economic resources measurement and the accrual basis of accounting. With this measurement, revenues are recognized when earned and expenses are recorded when a liability is incurred. All assets and liabilities associated with the operation of these funds are included on the statement of net assets.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 20 "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting" (Statement No. 20, Proprietary Fund types follow all applicable GASB pronouncements as well as all Financial Accounting Standards Board (FASB) pronouncements and predecessor Accounting Principles Board Opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989). Under paragraph 7 of Statement No. 20, the City has elected not to apply FASB pronouncements issued after November 30, 1989. Beginning July 1, 2010, this requirement from the Governmental Accounting Standards Board completely changed the reporting requirements for Special Revenue Funds (Major Projects, Tourism Growth Investment 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.

The City reports deferred revenue in the fund financial statements. Deferred revenues arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the fund balance sheet and revenue is recognized.



# City Council Policy

Title: Policy for the Sharing of Certain General Fund Revenues Between the City of Virginia Beach and the Virginia Beach School Board		Index Number: 6.02
Date of Adoption: 2/25/97	Date of Revision: 3/12/07	Page: 1 of 7

## 1.0 Purpose

The purpose of this policy is to establish a procedure for allocating to the City and the School Board, respectively, certain general fund revenues estimated to be available in a given fiscal year.

This policy will establish a predictable, objective means of sharing local revenues and establish a balance between School programming needs and the wide range of other needs of the City. This policy will provide both the City and the School Board notification about revenue estimated to be available for fiscal year planning.

Revenues allocated to the School Board represent the City's contribution to Schools. These revenues are used to fund the local share of the School Board's operating budget, local debt service costs, and pay-as-you-go capital improvements. The remaining revenues shall be allocated to the City. Tax Increments Financing revenue and Special Service District revenue shall not be subject to the revenue sharing formula. The revenue sharing formula will be reviewed periodically by a committee as established in section 9.1 of this policy, and will be adjusted as necessary.

## 2.0 Definitions

- 2.1 **The City** refers to the City of Virginia Beach, exclusive of Schools.
- 2.2 **City Council** refers to the City of Virginia Beach City Council.
- 2.3 **Schools** refer to the Virginia Beach City Public Schools.
- 2.4 **The School Board** refers to the Virginia Beach School Board.
- 2.5 **Revenues subject to the formula** are defined as general fund revenues from the real estate, personal property, general sales, utility (Non-Telecommunications), State Telecommunications, business license taxes, and from cable television franchise fees (through current 2016).
- 2.6 **The Revenue Sharing Formula** is the percentage formula by which revenues subject to the formula are allocated between the Schools and the City.
- 2.7 **Budgeted Revenues** are the original estimates of revenues subject to the revenue sharing formula adopted by City Council in May of each year.
- 2.8 **Actual revenues** are the collected revenues subject to the revenue sharing formula.

### **3.0 Procedure to Accomplish the Policy**

- 3.1 As a starting point for the fiscal year 2007-08 budget, the Schools will be allocated 51.3% of the revenues subject to the formula, and the City will retain 48.7% of the revenues subject to the formula. These aggregate percentages are based on the actual allocations of revenues subject to the formula by City Council in fiscal year 2006-07 as calculated after the adoption of the budget. These percentages may be adjusted for any fiscal year at the discretion of the City Council. An adjustment may be necessary due to a tax increase or decrease, an increase or decrease in other revenue, or any other circumstance, at the discretion of the City Council. Immediately following the adoption of the budget for fiscal year 2006-07, the City's Department of Management Services will determine the actual percentages of revenues subject to the formula allocated to Schools and retained by the City. The actual percentages of revenues subject to the formula allocated to the Schools and retained by the City shall be the starting point for allocations of revenues subject to the formula for the next fiscal year. This process shall continue each year, with the City's Department of Management Services calculating the actual allocation percentages after the adoption of the budget each year, and actual percentage allocations of revenues subject to the formula for each fiscal year constituting the starting point for allocations for the subsequent fiscal year.
- 3.2 A table showing the history of total revenues subject to the formula, total revenues subject to the formula allocated to the Schools, tax rates, tax rate changes, and the resulting revenue sharing formula for each year is incorporated as a part of this policy in Appendix A. This table will be updated annually to reflect the most recent revenue sharing formula based on the most recent budget adopted by City Council.
- 3.3 Preliminary revenue allocation, using the actual allocation percentages for the previous year, will be based on annual October 1 revenue estimates. Updates will be made during budget development, based on December 31 collections, and provided to both parties within 20 calendar days of the December 31 collections.
- 3.4 If in the development of the City biennial budget a local tax change is being considered, the City Manager will provide notification to the Superintendent of Schools detailing the scope and magnitude of any contemplated tax rate change. The City Manager shall provide notice as early in the school budget development process as possible, preferably prior to the presentation of the Superintendent's Estimate of Needs in February.
- 3.5 The proportion of revenues for the City and Schools allocated based on the revenue sharing formula shall not be affected by Section 2-186.1 of the City Code regarding preparation of the budget using a "base budget" method. The City and the Schools recognize that it is not the intention of Section 2-186.1 of the City Code to alter the revenue sharing formula.
- 3.6 For fiscal years 2006-07 and 2007-08, revenues subject to the formula will also be calculated, for informational purposes only, according to the allocation ratio for each individual revenue stream included in the revenue sharing formula, taking into consideration changes to the rates for the various streams as a result of Council action. These stream-specific allocation ratios are detailed in Appendix B of this policy. At the scheduled revenue sharing policy review in January 2007, the aggregate method of calculating the Schools' portion of the revenue (set forth by Section 3.1 of this policy) will be compared to the stream-specific method of calculating the Schools' portion of the revenue to ensure that the use of the aggregate percentage as described in Section 3.1 does not, exclusive of other factors, negatively impact the amount of revenue that the Schools receive. If it is determined that the allocation method described in Section 3.1, in and of itself, negatively impacts the amount of revenue that the Schools receive, definitive steps will be taken to remedy the situation.

### **4.0 Additional Funding-Schools**

- 4.1 If the School Board determines a need for additional local funding to maintain its current level of operations or to provide for additional initiatives, it shall make a formal written request to the City Council, through its chairman, stating the purpose(s) for which the additional funding is needed, and the amount of additional funding required.



- 4.2 The City Council shall review any School Board request for additional local funding and determine if additional funding is available. If the City Council determines that additional local funding cannot be made available without an increase in local tax rates, it shall formally notify the School Board.
- 4.3 If the School Board desires to request an increase in local tax rates to generate the additional local funding requested, the School Board shall hold a public hearing on the issue of whether local tax rates should be increased to provide additional revenue for the purpose(s) identified by the School Board. Following the public hearing, if the School Board desires to request an increase in local tax rates, the School Board shall make a formal request to the City Council to increase local tax rates to a level necessary to generate the additional funding. The School Board shall make such a request in the form of an adopted School Board resolution.
- 4.4 City Council shall consider any properly submitted request by the School Board for a local tax increase and determine the appropriate action.
- 4.5 If, after deliberation and appropriate public involvement, including the consideration of a referendum in appropriate circumstances, the City Council adopts a local tax rate increase to generate the additional local funding requested by the School Board, the full amount of revenue produced by the local tax increase shall become part of the School revenue share for the fiscal year budget being developed, and for all future fiscal years.

#### **5.0 Additional Funding-City**

If the City Council determines that additional funding is needed to maintain the current level of City operations or to provide for additional initiatives in City programs or services, the City Council shall determine the appropriate action. If after deliberation and appropriate public involvement, including consideration of a referendum in appropriate circumstances, the City Council adopts a tax rate increase to generate the additional local funding for City Government programs, the full amount of revenue produced by the local tax increase shall become part of the City revenue share for the fiscal year budget being developed, and for all future fiscal years.

#### **6.0 Tax Rate Decrease**

If the City Council determines that it is in the best interest of the community to decrease the rate for any of the taxes or fees that are included in the revenue sharing formula, the revenue estimates will be calculated using the lowered tax rates. The City revenue share and the Schools revenue share shall be affected by a tax rate reduction in the same proportion that budgeted revenues were shared for that fiscal year, unless otherwise specifically determined by the City Council.

#### **7.0 Actual Revenues Deviate From Budgeted Revenues**

- 7.1 If, at the end of the fiscal year, the actual revenues exceed the budgeted revenues, the amount of excess revenues shall be shared by the City and the School Board in the same proportion that budgeted revenues were shared for that fiscal year; provided that such excess revenues shall only be shared after the necessary resources for the Fund Balance Reserve Policy have been determined and fulfilled.
- 7.2 If, however, the City 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 of such an anticipated shortfall, will be expected to reduce expenditures in an amount equal to the School Board's proportion of a shortfall.

**8.0 Unanticipated Revenues**

Any increase in revenues resulting from actions of the Commonwealth of Virginia not contemplated by this policy shall not be subject to the revenue sharing formula but shall be the subject of joint discussions of the City and the Schools.

**9.0 Revision To Policy**

9.1 A committee comprised of two members of City Council, two members of the School Board, the City Manager, the Superintendent of Schools, the City Chief Financial Officer, the School Chief Financial Officer and the Director of the Department of Management Services shall periodically review this policy and its application.

9.2 This policy shall be reviewed, and revised as appropriate or necessary,

- (a) whenever a rate change for any of the taxes included in the revenue sharing formulas has been adopted;
- (b) whenever the funds made available to the School Board pursuant to this policy are not adequate to meet the State Board of Education’s mandated “standards of quality”;
- (c) whenever any significant unanticipated changes occur in the level of estimated federal and state revenues available to the School Board;
- (d) whenever any significant unanticipated changes occur in City revenues not included in the revenue sharing formula; and
- (e) periodically, but at least biennially, beginning no later than January 31, 2007.

Approved as to Content:	<u>Catheryn R. Whitesell</u>	<u>03/20/07</u>
	Director of Management Services	Date

Approved as to Legal Sufficiency:	<u>Leslie L. Lilley</u>	<u>03/20/07</u>
	City Attorney	Date

Reviewed by:	<u>James K. Spore</u>	<u>03/20/07</u>
	City Manager	Date

APPROVED BY CITY COUNCIL:	<u>Meyera E. Oberndorf</u>	<u>06/12/07</u>
	Mayor	Date

Revenue Sharing Formula Policy

Appendix A  
FY 1997 - 2010

Revenue	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
	Rate	Rate	Rate	Rate	Rate	Rate	Rate
Real Estate Tax	1.22	231,078,016	240,968,494	253,781,350	267,618,466	282,792,433	298,785,562
RE Tax Public Service	1.22	6,099,806	5,910,744	6,160,203	6,291,653	6,649,361	7,024,086
RE Tax Delinquent	1.22	570,479	530,202	625,896	823,202	906,822	928,856
Personal Property Tax	3.70	74,621,159	75,867,261	86,321,826	88,016,364	98,021,277	100,320,466
General Sales Tax	1%	36,171,287	36,631,825	38,764,180	40,331,525	41,208,796	41,370,311
Utility Taxes - see note (a)		28,816,558	29,681,023	30,270,754	31,823,732	31,908,988	31,968,743
Utility Taxes - Consumption							1,385,444 (c)
Utility Taxes - Cellular Phones (b)	\$3	1,807,200	1,942,740	1,711,061	1,663,132	2,017,610	3,180,901
Business License Tax	varies	22,504,867	25,521,687	25,570,088	27,880,165	29,396,269	30,815,259
Cable Franchise Tax	5%	2,969,583	3,288,292	3,393,352	3,446,326	3,754,440	4,639,462
<b>Total Revenue in Formula</b>	<b>380,401,752</b>	<b>404,638,955</b>	<b>420,342,268</b>	<b>446,598,710</b>	<b>467,894,565</b>	<b>496,655,996</b>	<b>520,419,090</b>
School Operating Transfer		182,236,233	187,703,617	199,879,794	208,189,195	225,336,750	234,934,664
Debt Service		31,079,628	31,481,013	34,607,610	36,248,916	35,688,677	38,712,634
CIP Pay-Go			2,424,339	1,037,460	2,311,304	1,000,000	1,000,000
<b>Total School Allocation</b>	<b>202,121,285</b>	<b>213,315,861</b>	<b>221,608,969</b>	<b>235,524,864</b>	<b>246,749,415</b>	<b>262,025,427</b>	<b>274,647,298</b>
<b>Total City Allocation</b>	<b>178,280,467</b>	<b>191,323,094</b>	<b>198,733,299</b>	<b>211,073,846</b>	<b>221,145,150</b>	<b>234,630,569</b>	<b>245,771,792</b>
City funding as % of total Revenue	46.87%	47.28%	47.28%	47.26%	47.26%	47.24%	47.23%
School funding as % of total Revenue	53.13%	52.72%	52.72%	52.74%	52.74%	52.76%	52.77%

(a) In FY 1998, residential utility tax increased from \$2.40 to \$3.00 per month for electric, gas, telephone, and water utilities. The commercial rates increased as well on a tiered basis. Because this increase was at the request of the City, 100% of the increase was allocated to the City. It was calculated that 89.1% of the total utility tax was henceforth subject to the Revenue Sharing Formula.  
 (b) 10% of first \$30.00.  
 (c) Consumption is tiered; set by State Code.

Revenue	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
	Rate	Rate	Rate	Rate	Rate	Rate	Rate
Real Estate Tax	326,074,713	362,347,945 1.1964	377,664,464 1.0239	441,312,070 0.990	469,574,581 0.890	479,206,211 0.890	471,996,024 0.890
RE Tax Public Service	7,241,806	6,905,591 1.1964	5,016,179 1.0239	3,775,947 0.990	4,090,908 0.890	4,518,482 0.890	5,080,847 0.890
RE Tax Delinquent	1,016,145	1,121,572 1.1964	1,014,381 1.0239	1,014,381 0.990	1,157,836 0.890	1,244,459 0.890	1,244,459 0.890
Personal Property Tax	106,624,523	110,035,897	113,389,566	127,582,769	138,514,563	133,953,642	115,845,983
General Sales Tax	43,807,065	45,538,506	50,833,174	53,390,260	55,691,645	56,040,158	51,129,941
Utility Taxes	32,061,944	33,569,117	32,064,827	30,169,337	23,680,089	23,791,320	24,088,712
VA Telecommunications Tax					16,909,586	23,634,421 (d)	23,655,431 (d)
Utility Taxes - Consumption	1,418,695	1,641,706	1,576,053	1,585,793	1,624,392	1,619,709	1,648,863
Utility Taxes - Cellular Phones	4,372,070	5,267,578	8,466,780	7,906,182			
Business License Tax	31,958,284	34,065,874	37,140,370	40,794,218	44,987,246	43,180,830	40,556,906
Cable Franchise Tax	4,795,420	4,857,144	4,612,615	4,941,085	4,746,613	5,413,198	5,873,378
<b>Total Revenue in Formula</b>	<b>559,370,665</b>	<b>605,350,930</b>	<b>631,778,409</b>	<b>712,472,042 (e)</b>	<b>760,977,459</b>	<b>772,602,430</b>	<b>741,120,544</b>
School Operating Transfer	254,754,290	256,418,891	268,713,519	307,224,646	336,870,685	338,982,548	335,208,106
Debt Service	39,582,583	41,303,652	40,912,433	40,282,967	41,402,094	41,411,259	44,183,674
CIP Pay-Go	1,000,000	17,597,408	17,597,408	17,597,408	12,108,658	13,936,308	-
<b>Total School Allocation</b>	<b>295,336,873</b>	<b>315,319,951</b>	<b>327,223,360</b>	<b>365,105,021</b>	<b>390,381,436</b>	<b>394,330,115</b>	<b>379,391,780</b>
<b>Total City Allocation</b>	<b>264,033,792</b>	<b>290,030,979</b>	<b>304,555,049</b>	<b>347,367,021</b>	<b>370,596,023</b>	<b>378,272,315</b>	<b>361,728,764</b>
City funding as % of total Revenue	47.20%	47.91%	48.21%	48.76%	48.70%	48.96% (f)	48.81% (f)
School funding as % of total Revenue	52.80%	52.09%	51.79%	51.24%	51.30%	51.04%	51.19%

(d) The E 911 Communications Special Revenue Fund previously was allocated 29.53% of the total Virginia Telecommunication Tax, which equated to the historical amount received through the previous local taxes. This fund was merged into the General Fund in FY 2008-09 and, therefore, this 29.53% allocation is excluded from the revenue sharing formula.  
 (e) The City portion of BRAC funding (\$7,500,000) was subtracted from the total revenues (shared costs between City and Schools).  
 (f) This allocation is less than 51.3% due to the merger of the E-911 Communications Special Revenue Fund to the General Fund, 29.53% of these revenues are allocated to this function; the school revenue sharing formula applies to the residual amount. The amount dedicated to E-911 communications represents the historical allocation of the previous local telecommunications taxes.

## Revenue Sharing Formula Policy

### Appendix B Historical Information

Fiscal Year	Real Estate (includes delinquent and interest on delinquent)	Utility and Utility Consumption	Personal Property (includes delinquent)	General Sales	Cell Phone	Business License	Cable Franchise	Va Telecom Tax	Aggregate Percentage
1997-98	\$1.22	46.87% City 53.13% Schools		46.87% City 53.13% Schools					46.87% City 53.13% Schools
1998-99	46.87% City 53.13% Schools	Rate Increase requested by City  52.66% City 47.34% Schools		46.87% City 53.13% Schools					47.28% City 52.72% Schools
1999-00		52.66% City 47.34% Schools		46.87% City 53.13% Schools					47.26% City 52.74% Schools
2000-01				46.87% City 53.13% Schools					
2001-02				46.87% City 53.13% Schools					47.24% City 52.76% Schools
2002-03				46.87% City 53.13%					47.23% City 52.77% Schools
2003-04				46.87% City 53.13%					47.20% City 52.80% Schools
2004-05	\$1.1964  Reduction 100% Schools  49.04% City 50.96% Schools			46.87% City 53.13%					47.91% City 52.09% Schools
2005-06	\$1.0239  Reduction 53.13% Schools  48.58% City 51.42% Schools			46.87% City 53.13%					48.21% City 51.79% Schools
2006-07	\$0.99  49.08% City 50.92% Schools	48.21% City 51.79% Schools		48.21% City 51.79% Schools					48.76% City 51.24% Schools
2007-08	\$0.89  48.7% City 51.3% Schools	48.7% City 51.3% Schools		48.7% City 51.3% Schools				48.7% City 51.3% Schools	49.17% City 50.83% Schools
2008-09	\$0.89  48.7% City 51.3% Schools	48.7% City 51.3% Schools		48.7% City 51.3% Schools				48.7% City 51.3% Schools	49.16% City 50.84% Schools
2009-10	\$0.89  48.7% City 51.3% Schools	48.7% City 51.3% Schools		48.7% City 51.3% Schools				63.85% City 36.15% Schools	49.18% City 50.82% Schools
2010-11	\$0.89  48.7% City 51.3% Schools	48.7% City 51.3% Schools		48.7% City 51.3% Schools				63.85% City 36.15% Schools	49.16% City 50.84% Schools

**Appendix A & B**  
**Summary Notes of Changes to School Revenue Sharing Formula**

Fiscal Year	Summary of Change
FY 1997-98	The residential utility tax increased from \$2.40 to \$3.00 per month for electric, gas, telephone, and water utilities. The commercial tiered rates increased as well. Because this increase was at the request of the City, 100% of the increase was allocated to the City. It was calculated that 89.1% of the total utility tax was henceforth subject to the Revenue Sharing Formula. The formula has been adjusted to incorporate into the current percentages.
FY 2004-05	The State raised the General Sales tax from 4.5% to 5.0%. The State dedicated half of this increase (1/4%) to education, and half (1/4%) could be dedicated to education or tax relief. This ¼% increase in the general sales tax equated to \$2.36 cents of the real estate tax rate, which was therefore lowered from \$1.22 to \$1.1964. The formula has been adjusted to incorporate into the current percentages.
FY 2005-06	Due to unprecedented real estate appreciation, the City Council lowered the real estate tax rate from \$1.1964 to \$1.0239. The reduction in real estate revenues was shared equally between the Schools and the City. The formula has been adjusted to incorporate into the current percentages.
FY 2006-07	In FY 2006-07, the City portion of City/State BRAC funding was subtracted from the total revenues (shared costs between City and Schools). The formula has been adjusted to incorporate into the current percentages.
FY 2007-08	In FY 2007-08 the Virginia Telecommunication Tax was implemented by the State. These were previously imposed through the Utility tax and the Cellular Phone tax both of which are included as formula revenues as well as the E-911 tax, which was never included in the formula. The E 911 Communications Special Revenue Fund previously was allocated 29.53% of the total Virginia Telecommunication Tax, which equated to the historical amount received through the previous local taxes and is excluded from the revenue sharing formula.



# 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.

Approved as to Content:	<u>Catheryn R. Whitesell</u> Director/Administrator	<u>02/05/01</u> Date
Approved as to Legal Sufficiency:	<u>R.M. Blow</u> City Attorney	<u>02/21/01</u> Date
Approved:	<u>Steven T. Thompson</u> Chief Financial Officer	<u>02/26/01</u> Date
Approved:	<u>James K. Spore</u> City Manager	<u>02/26/01</u> Date
Approved:	<u>Meyera E. Oberndorf</u> Mayor	<u>02/26/01</u> Date

**ALTERNATE VERSION**

**REQUESTED BY COUNCILMEMBERS DIEZEL AND WOOD**

**A RESOLUTION TO ADDRESS PUBLIC SAFETY PAY  
COMPRESSION DISPARITIES**

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

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

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

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

(1) To prevent future pay compression in the public safety pay and classification plans, pay adjustments shall be applied to all employees and ranges;

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

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

(4) Even if the above steps fail to alleviate supervisory pay compression, such compression shall be alleviated within three years of identification;

(5) Future market salary surveys shall be restricted initially to Hampton Roads communities; and

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

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

APPROVED AS TO LEGAL SUFFICIENCY

Roderick Ingram  
City Attorney's Office

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

**Entry Level Police, Fire and Sheriff Salary Survey  
As of December 2009**

Locality	Police Officer Recruit				Police Officer			
	Min	Mid	Max	Title	Min	Mid	Max	Title
Virginia Beach	36,995	<b>45,319</b>	53,643	Police Officer Recruit	38,868	47,614	56,359	Police Officer
Chesapeake	37,494	46,278	55,061	Police Officer Trainee	39,182	48,361	57,540	Police Officer
Hampton	36,500	39,238	41,975	Police Public Safety Recruit	38,550	50,738	62,925	Police Patrol Officer
Newport News	36,000	37,175	38,350	Police Officer Recruit	38,000	40,150	42,300	Police Officer
Norfolk	36,500	36,500	36,500	Police Officer Recruit	39,390	<b>48,928</b>	58,466	Police Officer
Portsmouth	36,347			Police Officer Trainee	38,260	46,182	59,092	Police Officer
Suffolk	35,083	43,854	52,625	Police Officer I	36,722	45,903	55,083	Police Officer II

**Note:** Hampton and Norfolk have only one non-supervisory level of Police Officer. Virginia Beach has a Master Police Officer level.

Locality	Firefighter Recruit				Firefighter			
	Min	Mid	Max	Title	Min	Mid	Max	Title
Virginia Beach	36,995	<b>45,319</b>	53,643	Firefighter Recruit	38,868	47,614	56,359	Firefighter
Chesapeake	37,494	46,278	55,061	Firefighter Trainee	39,182	48,361	57,540	Firefighter/EMT
Hampton	36,500	39,238	41,975	Firefighter Recruit	38,550	<b>50,738</b>	62,925	Firefighter
Newport News	36,000	37,175	38,350	Firefighter/Medic Recruit		0		No Match*
Norfolk	35,195	35,195	35,195	Firefighter Recruit	36,743	46,327	55,911	Firefighter/EMT - Enhanced
Portsmouth	36,347			Firefighter Trainee	38,260	46,182	59,092	Firefighter
Suffolk	35,083	43,854	52,625	Firefighter I	36,722	45,903	55,083	Firefighter II

**Note:** Hampton has only one non-supervisory level of firefighter. Virginia Beach has a Master Firefighter level. Newport News Fire Academy graduates are required to attain EMT-Intermediate certification, which is a higher level than required in the remaining cities.

Locality	Deputy Sheriff Recruit				First Level Deputy Sheriff			
	Min	Mid	Max	Title	Min	Mid	Max	Title
Virginia Beach	35,213			Deputy Sheriff	36,621	41,246	51,058	Deputy Sheriff (minimum reflects 4% merit after 15 months)
Chesapeake	37,494	46,278	55,061	Deputy Sheriff Trainee	39,182	<b>48,361</b>	57,540	Deputy Sheriff
Hampton	31,434			Deputy Sheriff	34,063			Deputy Sheriff (minimum reflects 9% increase to base salary after 13 months)
Newport News	30,970			Deputy I	32,210	41,248	50,285	Deputy II
Norfolk				No Recruit Level	30,792	39,575	48,358	Deputy Sheriff
Portsmouth	28,234			Deputy Sheriff	33,144	40,603	52,973	Deputy Sheriff (minimum reflects 9.7% regrade and \$2,171 supplement at the end of first year and completion of the academy)
Suffolk				No Recruit Level	35,083	43,854	52,625	Deputy Sheriff

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

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



# Administrative Directive

Title: Grant Management		Index Number: AD 1.05
Date of Adoption: 09/06/94	Date of Revision: 06/30/2006	Page: 1 of 8

## 1.0 Purpose and Need

Grant funds from state, federal, or other agencies and organizations are an important revenue source that can aid the City in providing quality services to citizens and customers while keeping our taxes as low as possible. The growing increase in the number of grants awarded to the City has necessitated a higher level of coordination to ensure that grant funds are being used to achieve the City's Strategic Plan and derive the greatest benefit.

Departments are urged to solicit grants - especially where a grant will help achieve the City's Strategic Plan, enhance or support the City's basic services, or address any other City priority - while trying not to incur a high level of overhead on small grants that do not greatly influence the City's strategy.

Prior to seeking grant funding, a department should consider the following:

- Will the grant be used to address a City strategy or other priority?
- Would the grant funding be used for a previously identified need of the City for which no other source of funding is available?
- If the program being funded by the grant is needed to accomplish a City priority or achieve the department's mission, should it be supported instead by City funds to ensure that adequate resources are made available?
- Will the grant provide only short-term financing for a long-term commitment on the part of the City?

This Directive provides guidance on the process to be used by City departments in pursuing grants, and establishes a centralized means of identifying which grants are being sought, thereby promoting a systems approach to the use of grant funds.

## 2.0 Administrative Directive

No part of this Directive should be construed as superceding any portion of the adopted annual operating budget ordinance or Capital Improvement Program ordinance. In the event of a conflict between this Directive and either ordinance, the ordinance shall control.

All grant applications must be signed by the City Manager or appropriate designee prior to submission to the granting agency. All grants must be appropriated through the budgetary process, through the Council Agenda Process, or where applicable, through the use of the grant reserve (which is appropriated annually as part of the budget).

All grants must comply with all City policies and procedures, including the purchasing and technology improvement policies, and the City Attorney's Contract Preparation/Review Guidelines. Any grant that includes personnel costs must comply with all City personnel policies. The agenda request and ordinance shall include language indicating that the position is authorized only for the duration of the grant period, unless continued employment is required

Title: Grant Management		Index Number: AD 1.05
Date of Adoption: 09/06/94	Date of Revision: 06/30/2006	Page: 2 of 8

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

The procedure for completing and submitting grant applications is bulleted below. Specific details are included in subsequent paragraphs.

- **Step 1:** Department identifies a need for services, equipment or programs.
- **Step 2:** Department seeks grant programs that support services related to the identified need.
- **Step 3:** Department informs Management Services staff (assigned budget analyst) of intent to apply for grant funding.
- **Step 4:** Management Services notifies department to proceed with application development; if there is a concern regarding the request, Management Services forwards the request to the responsible Chief who will make the determination whether to proceed with the application phase.
- **Step 5:** Department prepares grant application (with the Director’s endorsement), routes it to other affected departments (including ComIT for those with technology components), and forwards it to Management Services, accompanied by the required grant forms (available on the Management Services BEACHnet site).
- **Step 6:** Management Services evaluates grant and forwards the application and recommendation to responsible Chief. In some instances, the City Manager’s signature may be required.
- **Step 7:** Once application is approved and signed, department submits grant to grantor agency.

#### B. Grant Management Phase

The procedure for appropriating and managing grants is bulleted below. Specific details are included in subsequent paragraphs.

- **Step 1:** Department notifies Management Services that grant was approved and drafts an agenda request to accept the grant and appropriate funding. If additional paperwork, such as a formal acceptance is required, the department will forward this to Management Services to obtain signature from the responsible Chief and/or City Manager. Department notifies City Manager’s Office to place grant on Council agenda.
- **Step 2:** Management Services drafts the ordinance and forwards it to the City Attorney.
- **Step 3:** Department representative attends the agenda meeting (Wednesday prior to Council date).
- **Step 4:** Once Council appropriates the grant, Management Services assigns a grant number and enters the related budget journal in ViBES. In the event that City Council declines the grant, the submitting department is responsible for notifying the grantor in writing that the City will not be accepting the grant.

Title: Grant Management		Index Number: AD 1.05
Date of Adoption: 09/06/94	Date of Revision: 06/30/2006	Page: 3 of 8

- **Step 5:** Department begins managing the grant in accordance with the grant application and guidelines. Department must coordinate with Finance to determine responsibility for financial reporting. If the department submits financial reports, copies of each must be forwarded to the Comptroller’s Office of the Finance Department. The department managing the grant is responsible for maintaining all grant-related records and ensuring reporting requirements are met.
- **Step 6:** When the grant period is completed, the department shall contact Finance to coordinate closing the grant in ViBES.

**Grant Review and Authorization:**

- The specific process required for grant review is outlined on the Management Services intranet site (on BEACHnet) under the “Grant Management” link. This link includes the “City of Virginia Beach Grant Management Process” flow chart and written procedures. These documents outline the specific process that should be followed, list all forms that are required to be completed, and provide a list of resources for departments applying for grants. All applicable forms are also available from this link.
- No grant application shall be submitted to a granting agency without prior review by the Department of Management Services and signature of approval by a member of the Management Leadership Team.
- Any City department or agency that intends to apply for a grant shall provide a copy of the full grant application and all required forms to the Department of Management Services at least ten (10) business days prior to the date the grant application is due to the granting agency.
  - It is necessary to allow Management Services ten (10) business days for review to ensure that it is adequately reviewed by Management Services staff and allow routing and review by the appropriate member(s) of the Management Leadership Team.
  - Management Services staff will work with departments on a case-by-case basis, where the granting agency has not provided ample notice to provide the required ten (10) business days for review; however, this does not exempt any grant from review by Management Services.

**Requirements for Completing and Submitting Online Grants:**

- If a grant is completed in an online database, a hard copy should be provided to Management Services to complete the required review and to maintain for central filing.
- The signature can be obtained on the grant routing form or on the cover letter from Management Services.
- A “Designee Authorization Form” should be completed and signed as well (available on the Management Services BEACHnet website).
- Please note that many online databases require authorization of the applicant prior to submission that may require several days to complete. Departments should plan their grant development accordingly.

**Requirements for Legislative Approval:**

- While all grants are subject to review by Management Services and require authorization by the City Manager, some grants may not require independent Council action. Certain grants can be appropriated through the use of grant reserve accounts, which are appropriated annually as part of the budget.
- Grants meeting the following criteria do not require City Council action, provided there is ample funding in the grant reserve accounts to accommodate the appropriation.

Title: Grant Management		Index Number: AD 1.05
Date of Adoption: 09/06/94	Date of Revision: 06/30/2006	Page: 4 of 8

- The grant does not establish new and/or ongoing services to the community.
- The grant in total is \$10,000 or less (amount from grantor, plus any associated match).
- The grant does not authorize additional full-time or part-time FTEs.
- Grantor requirements do not mandate acceptance by legislative body (i.e., City Council).
- Management Services will work with departments when there are special circumstances for other small grant programs, such as compressed timelines, that do not easily facilitate Council approval.

**Requirements for Grants with Technology Components:**

- The submitting department is responsible for routing grants that have technology components associated with them to ComIT during the application phase. The department is responsible for coordinating all technology equipment and infrastructure needs with ComIT staff after submission of the grant.

**Inclusion of Grants in the Operating or Capital Budget:**

- Guidelines for including grants in the annual operating budget include: the grant is on-going, non-competitive and/or allocated on a formula basis such that the revenue can be reasonably estimated based on the historical amount received.
- A department can include a grant in the operating budget request; however, the grant should be included in the appropriate grant fund and necessitates assignment of a grant number by Management Services.
- The CIP may also include grant funding that is of a one-time or ongoing nature.
- Grants that are appropriated as part of the annual operating or capital budgets will be reviewed in conjunction with departmental budget requests; however, Management Services will still review applicable paperwork for grants that are budgeted. The grant application and/or acceptance paperwork must still be approved and signed by the City Manager or appropriate Chief prior to submission to the granting agency for budgeted grants.
- It is still necessary for the requesting department to forward any documentation to Management Services for signature by an appropriate member of the MLT and inclusion in central filing.
- The department must notify Management Services of differences between the estimated and actual amount of all grants so that adjustments to appropriations may be made.
- An award letter is required for any new grant before it can be included in either the operating budget or CIP.

**Financial Controls Applied to Grants** (Source: June 20, 2005 memo to departments from Finance and Management Services):

- The ViBES controls that are applied to operating budget appropriation units also apply to grants. However, grants are also controlled at the budget unit level. In general (exceptions are outlined below), the grant controls apply first to the grant number, then the budget unit number and then the object code. A grant number designates the overall appropriation unit; appropriations in one grant within a fund cannot offset appropriations within another grant in that same fund. Grants are also controlled at the budget unit level, which affects multi-departmental grants that have multiple budget units under the same grant number. Every single budget unit must balance within that grant.
- Grants also have the same controlled accounts applied, except at the budget unit level: Reserve for Contingencies (600s), Personal Services (601s and 602s combined), Operating Expenses (603s to 606s combined), Leases and Rentals (608s), Land Structures and Improvements (609s), and Debt Service (610s). These categories cannot exceed appropriations for those accounts. Part-time salaries and capital outlay are controlled at the line item level in ViBES; however, for budgetary and purchasing

Title: Grant Management		Index Number: AD 1.05
Date of Adoption: 09/06/94	Date of Revision: 06/30/2006	Page: 5 of 8

- purposes, it is necessary to have adequate appropriations for each capital item (not the line item in total).
- Grants involving FEMA-Team deployments and certain housing grants that are subject to special circumstances are the exceptions to the application of the above ViBES controls. The requirements of these grants would render the application of these financial controls impractical.

**Supplanting:**

- Special focus is needed in the evaluation of grants regarding supplanting. Supplanting involves replacing one source of funding for another.
- The City Council adopted a policy in 2001 which states, "It is the policy of the City Council to prevent, to the extent possible, the shifting of financial responsibility for state, federal, or privately funded programs to the citizens of Virginia Beach by not supplanting those funds with local funds when those agencies reduce funding to various community programs that rely on that funding."
- In addition, many grants are requiring that the City certify that the funding will not supplant any funding already being used for the same purpose. For example, a Police Department grant may require that the grant funding not supplant any funding allocated for law enforcement uses, thus using vacancy funding from police officers to match the grant would not be allowable under the grant. In meeting non-supplanting requirements, the City considers the redirection of appropriated funding supplanting. This would not apply to funding that is programmed or planned in future years.

**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 Management Services and approved with signature by the responsible Chief and/or the City Manager prior to submission to the granting agencies. Before a grant can be submitted electronically, the individual that is preparing the application must be authorized by the City Manager to submit the grant. A "Designee Authorization Form" is located on the Management Services BEACHnet site under "Grant Management."

A. City departments are responsible for the following:

1. Seeking grant funding for identified needs that are not otherwise funded.
2. Obtaining all required signatures pertaining to the grant application and grant acceptance (recommended to be coordinated through Management Services after grant review).
3. Completing applications for identified grants in accordance with guidelines prescribed by the granting agency.
4. Collaborating with other departments as needed to ensure that grant funding provides the greatest possible benefit.
5. Submitting the full grant application package and completed grant forms to the Department of Management Services, ten (10) business days prior to the grantor's due date.
6. Initiating the agenda request process to acquire City Council acceptance of the grant and appropriation of grant funds once written approval notice is received from the grantor agency, if applicable.
7. Developing agenda requests for resolutions as required by granting agencies.
8. Administering the grant-funded program and ensuring that all City policies are followed and all grant requirements are met.
9. Ensuring that grant expenditures are within the awarded grant funding.



Title: Grant Management		Index Number: AD 1.05
Date of Adoption: 09/06/94	Date of Revision: 06/30/2006	Page: 6 of 8

10. Coordinating with the City's Finance Department to ensure that grant funding is requested and received in a timely manner, and providing the Finance Department with a copy of the grant agreement and fiscal procedures.
11. Submitting all reports as required by the granting agency, including coordinating financial reporting with the City's Finance Department.
12. Notifying Human Resources at least one (1) pay period prior to any grant position no longer being funded.
13. Maintaining all documentation for grants for a minimum of three (3) years, unless the grantor specifies a longer duration.
14. Notifying Audit Services of any contact from the granting agency or other external agency concerning an audit or review.
15. Notifying Audit Services of concerns about violations of federal, state and/or local laws and regulations or suspected improprieties related to the grant program.

B. The Department of Management Services is responsible for the following:

1. Functioning as process owner of the grant management process and a resource for agencies, with regard to the grant process and grant development.
2. Assisting departments in identifying sources of grant funding and reviewing grant proposals.
3. Providing a timely review of grant applications prepared by departments.
4. Assisting departments in the preparation of agenda items seeking City Council acceptance of a grant and appropriation of grant funding.
5. Maintaining the following information on file as part of the department's role in resource management:
  - a. A copy of the grant application.
  - b. The department's grant analysis review.
  - c. A copy of the agenda package, including the signed appropriation ordinance, and the associated journal voucher.
  - d. A copy of the signed grant acceptance form, where applicable.
  - e. A copy of the award letter.
6. Communicating with other City agencies and departments after acceptance and appropriation of the grant.
7. Providing copies of all grant-related budget information to the Comptroller's Office of the Finance Department, and to the Payroll Division of the Finance Department and Human Resources when a grant involves changes to part-time or full-time personnel.
8. Ensuring that City departments are familiar with the grant management process and providing grant training about the City's process on an annual basis.
9. Ensuring that Council ordinances include wording that indicates that grant-funded positions will be terminated when grant funding is no longer available.
10. Assigning revenue codes and grant numbers to awarded grants, and notifying Finance of awarded grants through a copy of the completed budget journal.
11. Coordinating multi-departmental grants to ensure a Citywide focus.

C. The Department of Finance is responsible for the following:

1. Functioning as process owner of grant reporting and accounting.
2. Serving as fiscal agent, when required by the grant.

Title: Grant Management		Index Number: AD 1.05
Date of Adoption: 09/06/94	Date of Revision: 06/30/2006	Page: 7 of 8

3. Reviewing each grant periodically to ensure that grant funding is requested and received in a timely manner, including tracking all revenues received and expenditures made.
4. Ensuring that ended grants are properly closed out.
5. When necessary, submitting required financial reports to the granting agency.
6. Ensuring that grant controls are set in ViBES.
7. Providing grant training on grant reporting and accounting on an annual basis.
8. Obtaining copies of all funding requests and financial reports that are not completed by the Finance Department.

D. The Department of Human Resources is responsible for the following:

1. Indicating on the Personnel Transaction Form (P-3) of any employee hired with grant funding that the position is funded under a grant.
2. Ensuring that grant-funded personnel are aware upon hire that their positions are authorized for a set time frame or certain amount of grant funding and ensuring that grant-funded personnel sign paperwork to that effect.
3. Processing a grant-funded position out of the system after receiving notification that the grant has been discontinued.
4. Assigning position control numbers to full-time grant positions.

E. The Department of Audit Services is responsible for the following:

1. Providing technical and/or advisory services to the department or program managers regarding program operations and compliance.
2. Providing advice and guidance on audit related matters.

## 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 formulary basis.
- Periodic reports are required to be submitted to the granting agency.
- The grant is subject to audit by the granting agency.

**Annual Grant:** A grant that is awarded annually, regardless of the specific grant period (e.g., City fiscal year, federal fiscal year, or calendar year).

**Multi-Year Grant:** A grant that affects the appropriation of funding beyond one (1) fiscal year.

**Appropriation:** Legal authorization from City Council to make expenditures and incur financial obligations on behalf of the City. Appropriations for grant programs can be included in and approved by City Council in the Adopted Operating Budget and Adopted Capital Improvement Program or may require subsequent action by City Council outside of the budgetary process.





# Administrative Directive

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 1 of 8

## 1.0 **Purpose and Need**

The Annual Operating Budget Appropriation Ordinance authorizes the City Manager or the Director of Management Services to establish and administer budgeting within appropriation units, consistent with best management practices, reporting requirements, and programs and services adopted by the City Council.

The Resource Administration Directive has been established to:

1. Maintain the requirements of the City Charter, the City Code, the Annual Operating Budget Appropriation Ordinance and the Capital Improvement Program Appropriation Ordinance.
2. Ensure the financial integrity of the City through the establishment of policies which provide that the appropriation authority granted by the Annual Operating Budget and the Capital Improvement Program Appropriation Ordinances is not exceeded, without prior approval of Council.
3. Provide a framework for responsible expenditure decisions.
4. Maximize the flexibility and accountability of Department Directors in responding to the demands of their departments' missions and in fulfilling their program objectives, while adhering to legal and administrative policies.

## 2.0 **Administrative Directive**

Subject to any other provision of the law, all agencies and departments shall administer their operating budgets in accordance with this directive.

## 3.0 **Procedure to Accomplish Administrative Directive**

The Department of Management Services is responsible for coordinating the City's Resource Management Plan and making recommendations to the City Manager. Management Services shall act as the City Manager's designee in the approval of appropriation transfer requests. Management Services will coordinate annual fiscal management training with Finance, Human Resources, Audit Services, and other interested departments. Budget unit managers are strongly encouraged to attend.

All related forms are available on the Department of Management Services intranet page. Detailed instructions and overviews of procedures are also described on the site. Forms can be submitted electronically; however, a signed hard copy must also be submitted to Management Services. Only employees whose signatures are on file with Management Services are authorized to sign transfers.

Any modifications to appropriations within controlled accounts will require submission of a Transfer of Appropriations form or Redefinition of Funds Letter to be approved by Management Services. The departments

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 2 of 8

3.0 **Procedure to Accomplish Administrative Directive** (continued)

should send these requests directly to Management Services. Management Services will notify Council of approved transfers between \$25,000 to \$100,000 on a monthly basis.

City Council approval is required for any transfer that 1) exceeds \$100,000, 2) significantly expands an existing program, 3) initiates a program that has not previously been requested in the budget, 4) increases permanent positions, or 5) appropriates new funds. Departments must follow the Agenda Process for these requests.

All requests for new programs, program enhancements, or expansions of programs will be reviewed by Management Services, with recommendations made to the City Manager or his designee as to the appropriateness of the request. Management Services will evaluate all requests for changing the scope of use for funds appropriated in the budget document. In general, only program additions or enhancements that were requested but not funded during the budget process are eligible for consideration. Exceptions may be made in cases where the department could not reasonably foresee the need for the request (example: new mandate, change in technology, etc). Programs that involve redirection of existing funds that are available within the requesting department's fiscal year appropriation and do not require additional funding in future years or involve additional permanent FTEs may not necessitate Council action.

Internal Service Funds will also be required to submit requests for new programs, program enhancements, or expansions of programs, which will be reviewed by Management Services. Recommendations will be made to the City Manager or his designee as to the appropriateness of the request. Management Services will evaluate all requests for changing the scope of use for funds appropriated in the budget document. The same evaluation criteria apply to requests from Internal Service Funds. Additionally, the only use of retained earnings by Internal Service Funds that does not require Council action is increasing the cost of goods sold.

Department Directors may appeal the disapproval of funding requests by Management Services staff to the Director of Management Services. All information related to the request, including the reason(s) for denial, will be forwarded for review and reconsideration. Should the Director of Management Services also disapprove the request, Department Directors may appeal the decision to the Management Leadership Team. All information related to the request, including the reason(s) for denial, will be forwarded to the Management Leadership Team for review and reconsideration. Decisions of the Management Leadership Team are final.

4.0 **Responsibility and Authority**

1. Department Directors

Department Directors have a responsibility to ensure that:

- a. The expenditures and encumbrances do not expand, enhance or create programs which will be an on-going commitment or will create a future liability of the City, beyond the current fiscal year, without the approval of the City Manager and City Council.
- b. The appropriation units remain balanced so that the aggregate total of expenditures and encumbrances does not exceed the aggregate total of the adjusted appropriations in each appropriation unit.
- c. The estimated revenues which support each program are or will be realized by the City, and that Special Revenue and Enterprise Funds do not expend more than the realized revenues.

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 3 of 8

4.0 **Responsibility and Authority** (continued)

- d. The balance of each appropriation unit is maintained within each fund. Should an appropriation unit contain appropriations from different funds, the balance of each fund must be maintained separately and exclusively from the other funds within that appropriation unit.
- e. The expenditures and encumbrances conform to City Council’s policies and other expenditure restrictions. Department Directors should be aware of unique policies or restrictions relating to their own programs. (In general, copies of all policies established by the administrative departments are forwarded to operating departments, who are responsible for retaining them.)
- f. Departments conform to the policies and procedures of the City’s Grant Management Process, as described in Administrative Directive 1.05.
- g. The total expenditures for Personal Services (601s and 602s), Capital Purchases (607s), and Land Structures and Improvements (609s), do not exceed appropriations for those accounts.

Note: Part-time salaries line item is the exception to balancing at the account category level for the above controlled accounts. This line must balance alone at the appropriation unit level to ensure that the aggregate amount expended for part-time salaries does not exceed the amount appropriated for that purpose because overspending in this account may result in exceeding the number of authorized positions within the appropriation unit. Appropriations in this line may offset other Personal Services expenditures, but other appropriations in Personal Services expenditures cannot offset part-time salaries.

- h. The aggregate total of expenditures and encumbrances for non-controlled accounts (603s, 604s, 605s, and 606s) does not exceed the aggregate total appropriated for those accounts for the appropriation unit.
- i. Budget Unit Managers are encouraged to attend annual training provided jointly by Management Services, Finance, Human Resources, Audit Services, and other interested departments to maintain accurate and effective budget management.

Department Directors are authorized to perform the following:

- j. Make spending adjustments within non-controlled accounts that do not exceed the scope or intent of the department’s approved budget (i.e., there should be no new or expanded programs). It is not necessary for individual line items to balance; the non-controlled accounts for the appropriation unit must balance in total. See definition in section 5.0. All other requests will be evaluated and approved by Management Services in the form of Transfers of Appropriations and City Council Agenda Requests.
- k. Request a personnel transaction (i.e., promotion or reclassification) provided that existing budgetary funds are available in the salary and fringe benefit accounts within the budget unit to offset any increase in expenditures.

Prior to making a personnel request, the department must certify to the Department of Human Resources that adequate appropriations are available within the personnel accounts to offset increased costs. If the funds are not available, the department must request a transfer to the appropriate budget unit. The transfer must be approved prior to the effective date of the promotion/reclassification.

- l. Prepare a Transfer of Appropriations Request or prepare a City Council Agenda Request, where applicable. (See City Manager and City Council sections for requirements of these requests.)

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 4 of 8

4.0 **Responsibility and Authority** (continued)

m. Request a redefinition of Capital Outlay appropriations via submission of a letter to Management Services indicating the justification for the request and the reason that there is available funding to be redefined.

2. The City Manager, or his designee, is authorized to transfer funding in accordance with the Annual Operating Budget Appropriation Ordinance, Capital Improvement Program Appropriation Ordinance, and Section 2-187.1 of the City Code.

Authorization is required from the City Manager, or his designee, to:

a. Transfer appropriations of up to \$100,000, to or from controlled accounts, between appropriation units, from Reserves for Contingencies accounts, or between capital projects. Management Services provides a monthly report to City Council of transfers between \$25,000 and \$100,000.

i. Transfers to and from controlled accounts (especially personnel accounts) will be evaluated on a case-by-case basis to determine the emergency nature of the request. Criteria for consideration include: 1) the request is mission critical, 2) there is an adequate justification of the emergency nature, 3) the benefits of the request exceed the costs and the impact of not immediately implementing the request would disrupt service delivery (i.e., why the request cannot wait until the next budget process), and 4) the item was requested by the department during the budget process and was ranked favorably by the Caucus.

ii. Evaluation criteria for Transfers of Appropriations include: 1) the expenditure could not be reasonably anticipated during the budget process, 2) the request results from a mandate, or 3) the request constitutes a change in operating policies and procedures as a result of direction from the City Manager or City Council.

iii. Requests for transfers from Reserves for Contingencies will not be considered unless Management Services determines with the department that the appropriation unit cannot absorb the cost first, within the department's non-controlled accounts and second, within controlled accounts that are anticipated to have excess funding.

iv. Transfers within Internal Service Funds exceeding \$100,000 must be approved by City Council if it is outside the scope of the approved budget. Any use of retained earnings must be approved by City Council unless it involves increasing the cost of goods sold.

b. Transfer positions between budget units, divisions, and departments, subject to the \$100,000 limit on transfers. (Operating Budget Ordinance).

c. Approve and redefine the use of appropriations for specific Capital Outlay items (607s).

d. Increase the number of part-time FTEs within the current fiscal year, subject to the \$100,000 limit on transfers, provided that the aggregate amount expended for such positions does not exceed the respective appropriations. (Operating Budget Ordinance).

e. Transmit items to City Council for adoption.

f. Decrease estimated revenues and corresponding appropriations to reflect expected revenue collections. City Council must be notified of reductions greater than \$100,000.

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 5 of 8

4.0 **Responsibility and Authority** (continued)

- g. Transfer excess appropriations to Reserves for Contingencies, after all anticipated expenditures for which those funds were appropriated have been included.
  - h. Transfer appropriated funds and existing positions as necessary to implement organizational adjustments that have been authorized by the City Council. The City Manager shall report to the City Council regarding the status and progress of any such organizational adjustments on an annual basis.
  - i. Carry forward appropriations which were authorized but not completed prior to the end of the fiscal year. These requests are reviewed for appropriateness and to ensure that there is sufficient fund balance to meet City Council policies. Salary funds are not eligible to be carried forward (Operating Budget Ordinance). Criteria for Carry-forward appropriations are: 1) the funds shall remain in the same fund, budget unit, and account code; 2) the item was specifically appropriated for the purpose identified in the request; 3) the legal appropriation unit or department has an unencumbered balance greater than the amount requested; 4) the fund balance of the affected fund has sufficient funding available at the close of the books to fund the continuation of the appropriation and is compliant with all prescribed policies; and, 5) the item to be carried forward must be critical to the mission of a program or service offered by the City. Carry-forwards are not to be used to re-appropriate "surplus" funds or to be used as an alternative source of funding from the current fiscal year to the subsequent fiscal year that is not in alignment with its original intended use.
  - j. Adjust the financing sources for various capital projects to reflect effective utilization of financing sources. The City Manager or his designee may also reduce appropriations to any capital project to reflect reductions in financing sources. However, prior notice to City Council is required for any reductions to total appropriations greater than \$100,000.
  - k. Transfer from dedicated Reserves for Contingencies that have funding for a specific purpose.
  - l. Make corrections to the budget where movement of funds does not change the intent of the original appropriation, but allows for proper accounting of the funds.
3. City Council is authorized to amend the Operating Budget during the fiscal year. City Council approval is required for all of the following actions prior to the utilization of funds:
- a. Amend original appropriations through supplemental appropriations of additional revenue, fund balance or retained earnings.
  - b. Amend the Operating Budget and Capital Budget through the transfer of appropriations that exceed \$100,000.
  - c. Increase the total number of permanent positions.
  - d. Implement new, significant expansions or enhancements to programs or services, which will be an ongoing commitment or a future liability for the City beyond the current fiscal year. Any request that was not considered during the budget process will constitute a new program and will require City Council action. Any request deemed to exceed the scope of authority and intent reflected in the Resource Management Plan by the City Manager or his designee will require City Council action.
  - e. Initiate a new capital project.



Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 6 of 8

5.0 **Definitions**

Terms are defined as they relate to the Operating and Capital Budget administration and provide a general explanation of technical concepts.

**Account Categories:** Line item expenditure account codes are grouped and numbered according to general uses. They are identified by the first three digits: 60X, where the 6 signifies that it is an expenditure. Following is a list and brief description of account codes.

- 601s – Personal Services: Compensation of direct labor of persons in the employment of the City; salaries and wages paid to employees for full-time, part-time, and temporary work; payment for contracted manpower.
- 602s – Fringe Benefits: Job-related benefits provided for employees as part of their total compensation.
- 603s – Contractual Services: Services acquired on a fee basis or a fixed-time contract basis from outside sources.
- 604s – Internal Services: Charges to departments for intra-governmentally provided support services such as microcomputer support, automotive services, internal telecommunications, print shop and risk management.
- 605s and 606s – Other Charges: Expenditures for all other purposes such as utilities, external telecommunications, office supplies, furnishings, uniforms, professional development, travel and membership dues.
- 607s – Capital Outlay: Expenditures resulting in the acquisition of, or addition to, fixed assets which cost \$5,000 or more.
- 608s – Leases and Rentals: Leases not capitalized and rental of land, structures and equipment.
- 609s – Land Structures and Improvements: Major capital facilities, with a total cost less than \$50,000, that are constructed or acquired, such as land or buildings, and alterations to existing properties. Any project over \$50,000 may be a Capital Project and is addressed through the Capital Improvement Program.

**Agenda Request:** Document through which a department seeks approval of an ordinance for appropriation amendments or any increases in permanent positions that require City Council approval.

**Appropriation:** Legal authorization from City Council to make expenditures and incur financial obligations on behalf of the City. Appropriations for each program area are outlined and approved by City Council each fiscal year in the Adopted Operating Budget and Adopted Capital Improvement Program.

**Appropriation Amendment:** Adjustments made to the Annual Operating Budget during the fiscal year.

**Appropriation Ordinance:** Formal legislative enactment by Council. Means through which the Resource Management Plan is enacted into law. It establishes spending mandates, provides legal authorization for spending throughout the fiscal year and creates limits which cannot be exceeded without subsequent Council actions. It is also the mechanism used to amend the Operating and Capital Improvement Budgets.

**Appropriation Unit:** The legal level at which the Operating Budget must balance at the close of the fiscal year, as required by the appropriation ordinance. Appropriation units are the basis on which Council adopts the appropriation ordinance that is submitted with the Operating Budget and Capital Budget. In general, an appropriation unit is equivalent to a department, within a single fund.

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 7 of 8

5.0 **Definitions** (continued)

**Controlled Accounts:** Expenditure category over which the City Manager has retained authority (inside and outside the departments) for transactions to or from these accounts. Controlled accounts include Personal Services (601s), Fringe Benefits (602s), Capital Outlay (607s), Land Structures and Improvements (609s), as well as any transfers of appropriations affecting Capital Projects and Reserves for Contingencies funds.

**Estimated Revenues:** The amount of revenue estimated to support appropriations.

**Full-Time Equivalent (FTE):** Equivalent to the actual hours worked by a full-time position (greater than or equal to 1950 hours annually), employed a minimum of 37.5 hours per week for 52 weeks per year.

**Fund:** Separate group of self-balancing accounts which contain related liabilities and resources. Because each fund is a separate fiscal entity, the resources and liabilities should not be intermingled between funds.

**Fund Balance:** Referred to as retained earnings in an Enterprise or Internal Service Fund. It results from collecting revenues greater than expenditures and from appropriations that were not expended during the fiscal year. It must be authorized for expenditure (appropriated) by Council prior to spending. Any use of retained earnings must be approved by City Council unless it involves increasing the cost of goods sold.

**Management Leadership Team:** Decision-making body comprised of the City Manager, the Chief Operating Officer, the Chief of Staff, the Chief Financial Officer and the Chief Information Officer.

**Non-Controlled Accounts:** Accounts over which the City Manager does not exercise control. These include Contractual Service Accounts (603s), Internal Service Charges (604s), Other Charges (605s and 606s), and Leases and Rentals (608s).

**Part-Time Employee:** A City employee who is scheduled to actually work less than 37.5 hours per consecutive week, or an employee who is scheduled to actually work 37.5 hours per consecutive week for less than 52 consecutive weeks.

**Redefinition:** Changing the budgeted purpose of funds from a specific capital outlay item to another capital outlay item.

**Resource Management Plan:** Document that outlines the expenditures, personnel and revenues needed for financing the annual operations, services and programs of the City government. It is comprised of the Annual Operating Budget and the Capital Improvement Program.

**Retained Earnings:** See Fund Balance.

6.0 **Specific Requirements**

Subject to any other provision of the law, all agencies and departments shall administer their operating budgets in accordance with this directive.

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 8 of 8

Approved as to Content: Catheryn R. Whitesell 01/17/03  
 Director, Department of Management Services Date

Approved as to Legal Sufficiency: Leslie L. Lilley 02/09/03  
 City Attorney Date

Approved: Steven T. Thompson 02/12/03  
 Chief Financial Officer Date

Approved: James K. Spore 02/17/03  
 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. 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.

- **Personal Services:** Compensation of direct labor of persons in the employment of the City; salaries and wages paid to employees for full-time, part-time, and temporary work; payment for contracted manpower.
- **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 microcomputer support, automotive services, internal telecommunications, print shop and risk management.
- **Other Charges:** Expenditures for all other purposes such as utilities, external telecommunications, 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, with a total cost less than \$50,000, that are constructed or acquired, such as land or buildings, and alterations to existing properties. Any project over \$50,000 may be a Capital Project and is addressed through the Capital Improvement Program.

**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 identity and reducing urban sprawl in Virginia Beach. Through this program, the City will acquire development rights to farm land.

**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).

**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, and is 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. Means through which the Resource Management Plan is enacted into law. It establishes spending mandates, provides legal authorization for spending throughout the fiscal year and creates limits which cannot be exceeded without subsequent City Council actions. It is also the mechanism used to amend the Operating and Capital Improvement Budgets.

**Appropriation Unit** - The legal level at which the Operating Budget must balance at the close of the fiscal year, as required by the appropriation ordinance. Appropriation units are the basis on which Council adopts the appropriation ordinance that is submitted with the Operating Budget and Capital Improvement Budget. 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.

**Biennial Budget** - A resource management plan that includes revenue and expenditure projections for two years. Usually the first year is adopted by the legislative body and the second year is approved for planning purposes. Virginia State Code requires localities to adopt a budget annually.

**Budget Issue** - The process for requesting funding for new and expanded programs, and/or identifying existing programs for continuation of funding, given limited resources.

**Budget Unit/Organization Code** - A compilation of all the costs associated with a particular program.

**Capital Improvement Program (CIP)** - A program which schedules the financing and construction of major municipal facilities, such as roads, schools, buildings, and water and sewer lines. This program is linked directly to City Council policies, plans, and goals.

**Capital Outlay** - Outlays resulting in 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 \$50,000, which are constructed or acquired - such as land and buildings. These are funded in the Capital Improvement Program (CIP).

**Carry Forwards** - Funds that are designated for specific needs (e.g., equipment, contracts, etc.) that were approved within the current fiscal year, but were unexpended by year-end are re-appropriated forward into the subsequent fiscal year.

**Caucus** - An advisory group established in the FY 1997-98 budget development process to share in the decision making process, set priorities, determine approaches, strategies, and actions to ensure a balanced budget, and provide input on the package of services and programs to be recommended to the City Manager. This group was comprised of the City Manager, the Department of Management Services (serving as facilitators and resources), and the Strategic Issue Teams (SIT).

**Charges for Services** - Fees the City charges users of government services, such as recreation fees, court costs, library fines, and admissions to the Virginia Marine Science Museum.

**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 the qualified voters of the City.

**Class** - A grouping of jobs having similar duties and responsibilities, requiring similar knowledge, skills and abilities, and demanding similar qualifications so that the jobs may be appropriately titled and described, and the employees performing such jobs may be equally compensated.

**Commonwealth, Revenue from the** - Funds provided by the Commonwealth of Virginia in support of joint operations and programs.

**Comprehensive Regional Information Management and Exchange System (CRIMES)** - Computer database access system used by the regional City police departments to access information from the databases of each participating locality.

**Contractual Services** - Services acquired on a fee basis or a fixed time contract basis from outside sources.

**Controlled Accounts** - Expenditure category over which the City Manager has retained authority (inside and outside the departments) for transactions to or from these accounts. Controlled accounts include Personal Services (601s), Fringe Benefits (602s), Capital Outlay (607s), Land Structures and Improvements (609s), as well as any transfers of appropriations affecting Capital Projects and Reserves for Contingencies funds.

**Current Services** - Continue doing exactly what a department does currently 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 devaluable capital investment of buildings and 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 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).

**Encumbrances** - Commitments related to unperformed contracts for goods or services.

**Estimated Revenues** - The amount of revenue estimated 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 Automotive Services. May or may not be included on the rolling stock replacement inventory.

**Fringe Benefits** - Job-related benefits provided for employees as part of their total compensation, such as employer's portion of FICA, Medicaid FICA, retirement, insurance (health, life, and dental), disability income, and employees allowances.

**Full-Time Equivalents (FTE)** - Conversion of the number of part-time and temporary positions to full-time positions. FTE's are computed by dividing the total number of hours worked by 2,080, the total number of hours per year for a full-time employee.

**Full-Time Position** - A position employed 40 hours per week for 52 weeks.

**Fund** - Separate group of self-balancing accounts which contain related liabilities and resources. Because each fund is a separate fiscal entity, the resources and liabilities should not be intermingled between funds.

**Fund Balance** - Referred to as retained earnings in an Enterprise or Internal Service Fund. It results from collecting revenues greater than expenditures and from appropriations that were not expended during the fiscal year. It must be authorized for expenditure (appropriated) by City Council prior to spending. Any use of retained earnings must be approved by City Council unless it involves increasing the cost of goods sold.

**GASB 45** - Beginning July 1, 2007, the Governmental Accounting Standards Board required governments to fully reflect the actuarial costs of "Other Post Employment Benefits" (OPEB) in their accounting records. For the City, retiree health insurance represents OPEB's.

**GASB 54** - Beginning July 1, 2010, this requirement from the Governmental Accounting Standards Board completely changed the reporting requirements for Special Revenue Funds (Major Projects, Tourism Growth Investment 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.

**General Property Taxes** - Taxes on real and personal properties, both tangible and intangible, such as vehicles, real estate, and business equipment. Interest and penalties on delinquent taxes are also included in this category.

**GovMax** - The City's budget system, which is an Internet-based application that incorporates both an operating budget and a capital budget system

**Grants** - Funding awarded to the City by another level of government or by an outside agency or organization, and which generally meets certain requirements.

**Health Insurance Portability and Accountability Act (HIPAA)** - The Health Insurance Portability and Accountability Act of 1996 (HIPAA) was enacted on August 21, 1996. HIPAA provides for: (1) standardization of electronic formats for transmission of nine specific transactions including claims, electronic remittance advice, eligibility, authorization, pharmacy, enrollment, coordination of benefits, attachments and first notice of claim; (2) security of electronic health information and electronic signatures; and (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.

**Index of Service Demand** - Measurement of the annual increase in demand for City services relative to the rate of growth in population. Services included in this index are police, fire, and rescue calls, library book borrowing, solid waste collections, recreation class registrations, health clinic clients, and vehicle registration.

**Internal Services** - Charges to department for intra-governmentally provided support services such as microcomputer support, mainframe computer services, automotive services, print shop, and risk management.

**Lake Gaston** - Capital project, which constructed an approximately 84-mile pipeline from Lake Gaston to Norfolk's raw water transmission system to secure a long-term permanent drinking water supply for Virginia Beach.

**Land Structures** - Major capital facilities constructed or acquired, such as land and buildings, alterations and additions to such major capital facilities, street and dike systems, and water and sewer taps and mains. Total cost of these projects is less than \$50,000.

**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.

**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)** - Appointed by the City Manager, the MLT's role is 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.

**Merit Increase** - A salary increase within the pay range of the class to which the employee is assigned that is 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 the reason for an agency's existence, its purpose and function.

**Modified Accrual Basis of Accounting** - A mixture of the cash and accrual basis. The modified accrual basis should be used for governmental funds. To be recognized as a revenue or expenditure, the actual receipt or disbursement of cash must occur soon enough after a transaction or event has occurred to have an impact on current spendable resources. In other words, revenues must be both measurable and available to pay for the current period's liabilities. Revenues are considered available when collectible either during the current period or after the end of the current period but in time to pay year-end liabilities. Expenditures are recognized when a transaction or event is expected to draw upon current spendable resources rather than future resources.

**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, such as Convention Center or Princess Anne Park rentals, vending machine concessions, and use of City copy machines and boat ramps.

**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, which is 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 the actual and desired level of service or the outcome of policy or activities. These are focused on the mission of the department.



**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.

**Other Charges** - Expenditures for such purposes as utilities service, 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 Costs** - Includes expenditures financed from Special Revenue, Enterprise, or Internal Service Funds representing allocations for Reserve for Contingencies, Inter-Fund Transfers, or Debt Service Costs.

**Other Local Taxes** - Taxes which the Commonwealth enables the localities to use and set within the State Code. Examples are the local share of the sales tax, business licenses, local vehicle registration fees (LVR), cigarette taxes, etc.

**Part-Time Position** - A City employee who is scheduled to actually work less than 35 hours per consecutive week, or an employee who is scheduled to actually work 35 hours per consecutive week for less than 52 consecutive weeks.

**Pay-As-You-Go** - (Also known as General Appropriations) An apportionment of funds 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. In its current references, pay-as-you-go financing is used to identify funding recently provided from a Council approved real estate tax increase to support capital construction, detailed in the Capital Improvement Program.

**Pay Range** - The minimum through maximum salary levels assigned to a class.

**Performance Indicators** - The City uses a balanced scorecard for reporting departmental performance measures. These perspectives are the customer perspective, the financial perspective, the internal process perspective, and the learning and growth perspective.

**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 and bicycles and mopeds for identification purposes.

**Personal Services** - Compensation for direct labor of persons in the employment of the City; salaries and wages paid to employees for full-time, part-time, and temporary work, including overtime, shift differential, and similar compensation; and payment for contracted manpower.

**Program Group** - The program group name which may reflect a budget unit name or a name that best reflects a group of services provided by several budget units within the department.

**Public Facility Revenue Bonds** - Bonds issued by governments, authorities, or public benefit corporations that are backed by a revenue flow. 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 the appropriate 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 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.

**Resource Management Plan** – Provides an executive level summary of the Operating Budget and Capital Improvement Program.

**Strategic Agenda** - Short term goals developed by department heads to focus on achieving the long term goals set by City Council. Four major themes were developed: Economic Vitality, Infrastructure, Youth and Families, and Community Leadership and Shared Vision. The department directors acting together, took these themes and began moving the City towards the City Council's goals, and recommended reasonable funding strategies.

**Strategic Issue Team (SIT)** - One of seven teams formed to manage major City issues as identified by previous Mission Teams and by the City Council's goals. These teams include: Economic Vitality, Safe Community, Quality Physical Environment, Cultural and Recreational Opportunities, Quality Education and Lifelong Learning, Family and Youth Opportunities, and Quality Organization.

**Supplanting** - Substituting one source of funding to augment reductions in funding by another agency. The City's policy of not supplanting federal, state or private funding reductions with local funding applies to grants

**Tax Increment Financing (TIF)** - Use of the revenues generated by the growth of a designated area to fund Capital Improvement Projects within that area.

**Telecommunications Devices for the Deaf (TDD)** - System and equipment to enable hearing impaired persons to communicate through the telecommunication system.

**Tourism Advertising Program (TAP)** - Comprised of dedicated 1¢ of Hotel/Motel Room Tax rate, \$1 per room night flat tax, and dedicated ½¢ of Restaurant Meals Tax rate, this program funds advertising for the resort area, including financing the Visitor Information Center and additional national and regional advertising for the City with increased emphasis on marketing through the City's new website, [www.vbfun.com](http://www.vbfun.com).

**Tourism Growth Investment Fund (TGIF)** - This fund represents revenues from a variety of sources, including taxes on the rental of hotel rooms, on restaurant meals, and from admission taxes on participating sports. These revenues were earmarked by City Council to fund certain projects in support of tourism, including capital projects.

**Transfers from Other Funds** - Revenues received from another fund that are used to reimburse the recipient fund for expenses incurred in behalf of the "Other" fund.

**Transfers to Other Funds** - The transfer of appropriations from one fund to assist in funding the operations of another.

**Virginia Beach Quality Service System (VBQSS)** - A quality management system designed to enhance the physical, social, economic and educational quality of the City by delivering quality services to all citizens according to destination points set by the City Council.

## Description of Major City 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, and an explanation of their relationships to each other.

**Agriculture Reserve Program Special Revenue Fund** - accounts for funds required to purchase the development rights of open land.

**Central Business District - South Tax Increment Financing (Town Center) Fund** - City Council adopted the Central Business District - South Tax Increment Financing District on November 23, 1999. Creating a Central Business District in the Pembroke area of the City has been a long-term goal. The Comprehensive Plan, adopted on November 4, 1997, noted "the need to improve the overall form and quality of the development within the CBD core area and transform what is now mostly undeveloped or underdeveloped land into an attractive, high quality, intensive, pedestrian designed, mixed use town center." On February 8, 2000, the City Council approved a Development Agreement between a Developer and the Development Authority that created a Town Center for the City. The TIF funds will mainly be used to pay for the construction of public parking facilities.

**City Beautification Fund** - provides funding for various landscaping beautification projects. It 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** - is designed to account for the financing of vehicles and 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.

**Community Development Loan and Grant Fund** - accounts for Community Development Block Grant funds used to finance loans and grants to homeowners in target neighborhoods. This fund also accounts for interest and principal repayments.

**Community Development Special Revenue Fund** - accounts for the funds provided by the Community Development Block Grant (CDBG) and the City of Virginia Beach 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.

**DEA Seized Property Special Revenue Fund** - accounts for funds provided to the Police and Commonwealth's Attorney offices, 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 and prosecution activities.

**Federal Housing Assistance Grant Fund** - accounts for National Affordable Housing Act grant funds utilized for rehabilitation of owner-occupied and tenant-occupied low and moderate income dwellings.

**Federal Section 8 Program Special Revenue Fund** - accounts for funds received directly from the Federal government to provide rental assistance to low and moderate income families.

**Fuels Internal Service Fund** - established and separated from Automotive Services 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** - used to budget and record the annual principal and interest payments for the City's long-term debt. Generally, these payments are backed by the City's general tax base. The debt incurred by the City in the process of acquiring major capital outlay or constructing capital facilities.

**General Fund** - supports the routine operations of the City, such as Police, Fire, and Public Libraries. It can also incur liabilities, indicated by interfund transfers, which are reimbursable by other funds. Resources are generated through the tax base and from Federal and State programs. Beginning in FY 2006-07, incorporates funding from the Pendleton Child Service Center Fund, and Information Technology Internal Service Fund.

**General Government Capital Projects Fund** - provides funds necessary to meet the City's need: for municipal facilities construction, ranging from community centers to offices; 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 technology that improve customer service delivery, and improve the functionality and efficiency of the organization and its infrastructure; for capital improvement projects supporting the economic and tourism development program; for capital improvement projects supporting the parks and recreation program; and to support the roadways capital improvement 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.

**Golf Course Special Revenue Fund** - finances the operations of the Municipal Golf Courses. This fund is fully supported by the green fees, cart rentals, and concession operations at the golf courses. This fund will be merged into the Parks and Recreation Special Revenue Fund in FY 2010-11.

**Grants Consolidated Fund** - accounts for grants-in-aid received from Federal and State agencies.

**Information Technology Internal Service Fund for Subscriptions** - is designed to account for the financing of existing subscriptions by City departments.

**Inmate Services Special Revenue Fund** - 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.

**Law Library Fund** - is designed to finance the legal reference collection which is used primarily by the courts system. 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.

**Lynnhaven Mall Tax Increment Financing Fund** - the City Council established a Tax Increment Financing District for the Lynnhaven Shopping Area on June 2, 1998 in conjunction with the expansion of Lynnhaven Mall. The TIF funds are proposed to be used for improving the capacity and flow of traffic within the mall area, improving public transit access to and from the mall area, and expanding public parking.

**Major Projects Special Revenue Fund** - funds various projects in the FY 2001-02 Capital Improvement Program. The source for this fund comes through revenue generated by meal tax, hotel tax, and the cigarette tax, as well as the issuance of lease purchase agreements.

**Open Space Special Revenue Fund** - derives its revenue from part of the meals tax and other local sources associated with the acquisition of undeveloped property throughout Virginia Beach.

**Parking Enterprise Fund** - accounts for the expenditures and revenues generated by parking meters and the operation of municipal parking lots in the resort area.

**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 (such as special events, recreation supplies, other purchased services, replacement equipment, and other Parks and Recreation activities, as may have been designated) and un-designated purposes related to Parks and Recreation programs and activities.

**Parks and Recreation Special Revenue Fund** - accounts for revenue from fees and charges, dedicated tax revenue for community recreation centers, the Sportsplex, and local (General Fund) support associated with the operation of the Parks and Recreation Department.

**Print Shop Internal Service Fund** - provides for the printing and copying needs of City departments and the School Board.

**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** - records the cost of sand replenishment along the Sandbridge District oceanfront, receives its funding from specially assessed real estate taxes on properties within the district's boundaries, from a transient occupancy tax for the district, and gets additional support from the Parking Enterprise Fund, the Tourism Growth Investment Fund, and the Parks and Recreation Special Revenue Fund.

**Sandbridge Tax Increment Financing Fund** - on December 1, 1998, the City Council established a Tax Increment Financing District for the Sandbridge area. The TIF district, in conjunction with funding from a Special Services District also created for Sandbridge, will provide for periodic beach renourishment.

**School Athletic Fund** - records the costs of holding athletic activities at the City's schools. Receives its funding primarily from admission fees to athletic events, and gets additional support from the City's general fund.

**School Cafeterias Fund** - records the costs of operating the City's school cafeterias, receives its funding primarily from the sale of school lunches, and gets additional support from the State and Federal government.

**School Communication Tower Technology Revenue Fund** - on March 24, 1998, the City established the School Communication Tower Technology Special Revenue Fund to receive all payments from private tower owners who lease school property for commercial wireless towers. The funds received and the interest earned is used to acquire and replace technology including computers, software, wiring, training, facsimile, and copy machines.

**School Equipment Replacement Special Revenue Fund** - On January 9, 2007, the City established the School Equipment Replacement Special Revenue Fund to account 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** - records the costs to operate various special programs in the local schools and receives its funding from various local, State, and Federal grantor agencies.

**School Instructional Technology Revenue Fund** - this fund was established by the City Council with the adoption of FY 1999-00 Resource Management Plan to hold funds provided by the City outside of the Revenue Sharing Policy for School Technology. This fund has been revised to reflect funding from School's annual interest earnings up through FY 2007 or until \$12 million has been contributed. School's interest revenue received after FY 2007, will be allocated by the City to School's for projects and other operational costs.

**School Landscaping Internal Service Fund** - this fund accounts for monies provided by the Virginia Beach public 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 Virginia Beach public school system and tracks the funds provided for education by the Federal government and the State of Virginia.

**School Reserve Fund** - A City of Virginia Beach fund that accumulates school reversion cash from the School Operating Fund as requested by the School Board and approved by the City Council, and is subsequently appropriated and transferred for emergency, economic conditions and similar purposes as requested by the School Board and approved by the City Council.

**School Technology Category Fund** - separately accounts for the technology expenditures under the new Technology Category (formerly budgeted in and a sub-fund of the School Operating Fund). This is required by the State Department of Education and the Code of Virginia, as amended.

**School Textbook Fund** - records the costs of providing textbooks to the student population, receives its funding primarily from the State Department of Taxation, and gets additional support from the City's general fund.

**School Vending Operations Fund** - this fund was established in FY 2001-02 after the district entered into an exclusive vending arrangement with a national soft drink vendor. Proceeds from this contract will be used to support student activities.

**Sheriff's Department Special Revenue Fund** - accounts for State, Federal, and local funds in support of the Sheriff's Office.

**Storm Water Capital Projects Fund** - accounts for funds allocated for infrastructure improvements to the Storm Water Utility System. The Storm Water capital improvement program is designed to create an effective drainage system and storm water management system, protect natural resources and enhance quality of land and waterways, to 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. The Storm Water capital improvement program receives support from the Storm Water Utility Enterprise Fund of current revenues, retained earnings, and debt service for revenue bonds issued, and from other sources such as the State government, private contributions, the City's General Fund and Golf Course Special Revenue Fund.

**Storm Water Utility Enterprise Fund** - accounts for revenues and expenditures generated by the Storm Water Utility Fee for operational and capital needs for storm water management in the City.

**Tourism Advertising Program Special Revenue Fund** - accounts for revenues earmarked by City Council for the costs of advertising and marketing tourism, and the operation of the Visitor Information Center.

**Tourism Growth Investment Fund (TGIF)** - accounts for revenues earmarked by City Council in support of the Tourism Growth Investment initiatives which are designed primarily to fund and maintain capital investments in the resort.

**Town Center Special Tax District** - in accordance with the Town Center Development Agreement, a special tax district was created in FY 2002-03 to provide annual operations and maintenance costs associated with the parking facilities and streets at Town Center. 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.

**Water and Sewer Fund** - accounts for the expenditures and revenues generated by the normal operations of the water and sewer divisions of the Public Utilities Department.

**Water and Sewer Operating 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, new water and sanitary sewer services through the Neighborhood 51% program. The Water & Sewer capital improvement program receives support from the Water and Sewer Utility Enterprise Fund in terms of current revenues, retained earnings, and debt service for revenue bonds issued, and from other sources such as the Federal government and Hampton Roads Sanitation District.

## Descriptive List of Commonly Used Acronyms

Acronym	Title	Description
ADA	Americans with Disabilities Act	Federal legislation requiring all public buildings to be handicap accessible.
ADAPT	Automated Delivery of Assistance Payments	A state program to reduce the need for eligibility workers by creating an automated system to provide case management, eligibility determination, and benefit calculation to cover such services as Aid to Families with Dependent Children, Food Stamps, and Medicaid.
A&E	Architecture and Engineering	Studies and general design work on capital projects and special programs.
AFDC	Aid to Families with Dependent Children	Federal aid to low-income families with children to purchase food and related goods.
AICUZ	Air Installation Compatible Use Zone	The noise zones and the accident potential zones together form the AICUZ for an air installation. The AICUZ need to be updated periodically when the number and type of aircraft operations change at an installation.
ALS	Advanced Life Support	Critical care that requires immediate intervention for life or death circumstances.
ARB	Accounting Research Bulletins	Publications containing recommended accounting procedures published by FASB.
ARP	Agricultural Reserve Program	See glossary.
APZ1	Accidental Potential Zone 1	An area beyond the airfield runway where an aircraft mishap is most likely to occur if one occurs. It does not indicate a probability of an accident occurring, but is to be used for planning purposes.
AVID	Advancement Via Individual Determination	A program designed to help underachieving middle and high school students prepare for and succeed in colleges and universities. This program offers a rigorous program of instruction in academic "survival skills" such as how to study, read for content, take notes, and manage time.
AWWA	American Water Works Association	An organization of governmental Water and Sewer agencies. The Department of Public Utilities belongs to this group.
BLS	Basic Life Support	Provide care for the sick or injured.
BPOL	Business Professional Occupation License	A business tax license based upon gross receipts over \$100,000 and a flat rate of \$100.
BRACC	Base Realignment and Closure Commission	See glossary.
BRT	Bus Rapid Transit	Dedicated transit lanes that accommodate unimpeded movement between the Convention Center, Marine Science Museum, and Atlantic Avenue.
BZA	Board of Zoning Appeals	A council appointed board that hears citizen requests for variances from the City Zoning Ordinance.



<b>Acronym</b>	<b>Title</b>	<b>Description</b>
CAFR	Comprehensive Annual Financial Report	An audited and printed copy of the City's financial statement at the end of a given fiscal year.
CARE	Community Action Resources Empowerment	A community policing and neighborhood preservation program.
CASA	Court Appointed Special Advocate	A program administered by the State Department of Criminal Justice Services that provides volunteers who provide services as requested by the Juvenile and Domestic Relations Court to cases involving allegations that a juvenile is abused, neglected, in need of services or in need of supervision. These services include: investigation of the facts in a case, monitoring the case to ensure compliance with court orders, and assisting the guardian ad litem appointed to the case to represent the juvenile's needs and best interests.
CBD	Central Business District	The Virginia Beach Central Business District 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 Central Business District's Town Center area. The 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.
CC	Certificate of Compliance	A program offered by the Department of Housing that conducts inspections on rental units.
CDBG	Community Development Block Grant	Federal grant money used to improve housing and infrastructure.
CHINS	Child In Need of Services/Supervision	"Child in need of services" means a child whose behavior, conduct or condition presents or results in a serious threat to the well-being and physical safety of the child.
CIP	Capital Improvement Program	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 Council policies, plans, and goals.
CJIS	Criminal Justice Information System	This is a 20-year-old information system used by the Police Department to report state mandated information on criminal and other incidents.
COG	Community Organization Grant	A Council appointed committee that awards non-profit agencies monetary grants for providing community services.
COIA	Conflict of Interest Act	The State and Local Government Conflict of Interests Act requires some Virginia governmental officers and employees to disclose their financial interests.
CPA	Chesapeake Bay Preservation Act	An ordinance to protect and restore the water quality of the Chesapeake Bay and its tributaries.
CPMT	Community Policy and Management Team	A team of City/School staff that oversees Comprehensive Services

<b>Acronym</b>	<b>Title</b>	<b>Description</b>
		Act funding.
CPRMS	Capital Project Resource Management System	Software used by the Department of Management Services to assist departments in preparing and submitting capital project requests. It is a project management tool.
CRIMES	Comprehensive Regional Information Management and Exchange System	Computer database access system used by the regional City police departments to access information from the databases of each participating locality.
CSA	Comprehensive Services Act	A funding pool of state funds, trust grants, Medicaid, Family Preservation Act funding, and the funding sources to strengthen families and provide services to at-risk youths.
CSB	Community Services Board	A service responsible for providing a range of behavioral health services.
D.A.R.E.	Drug Abuse Resistance Education	A comprehensive drug and violence prevention education program for children in 5 <sup>th</sup> grade.
DBRS	Department Budget Request System	Software used by the Department of Management Services that assists departments in preparing and submitting their annual budget requests.
DCJS	Department of Criminal Justice Services	A state agency that oversees grant funding to local municipalities for criminal justice related programs.
DEA	Drug Enforcement Agency	Federal agency that polices illegal drug activities.
DMAS	Department of Medical Assistance Services	A state agency that administers Medicaid.
DMV	Department of Motor Vehicles	A state agency responsible for issuing driver's licenses and issuing automated tags.
EDIP	Economic Development Investment Program	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 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).
E-ENet	Emergency Educational Network	The training staff of the Fire Department produces a nine-and-a-half minute video giving tips on training practices, which is broadcast nationally by satellite.
EEO	Equal Employment Opportunity	A federal law banning the practice of employment discrimination based on race, religion, national origin, creed, sex, etc.
EMD	Emergency Medical Dispatching	A program that provides dispatchers basic medical training to assist in emergency calls.
EMS	Emergency Management Services	A City department that provides emergency rescue services.
ESG	Emergency Shelter Grant	A federal grant to aid homeless shelters.
FASB	Financial Accounting Standards Board	Organization created to serve investing public through transparent

<b>Acronym</b>	<b>Title</b>	<b>Description</b>
		information resulting from high quality financial reporting standards.
FDE	Full Day Equivalent	Method of computation for determining overall building use (used primarily at the Convention Center).
FEMA	Federal Emergency Management Agency	An independent agency of the federal government, with the mission to reduce loss of life and 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.
FIOS	Fiber Optic Service	Verizon's Fiber Optic Service.
FLSA	Federal Labor Standards Administration	A Federal agency responsible for regulating labor laws.
FOIA	Freedom of Information Act	Virginia statute that guarantees citizens the right to examine public documents.
FTE	Full-Time Equivalents	Conversion of the number of part-time and temporary positions to full-time positions. FTE's are computed by dividing the total number of hours worked by 2,080, the total number of hours per year for a full-time employee.
FY	Fiscal Year	A budget cycle year, from July 1 <sup>st</sup> to June 30 <sup>th</sup> in Virginia Beach.
GAAP	Generally Accepted Accounting Principles	The standard framework for financial accounting.
GASB	Governmental Accounting Standards Board	Organization created to improve standards of state and local governmental accounting and financial reporting.
GDP	Gross Domestic Product	The total market value of all final goods and services produced in a given year, which is equal to total consumption, investment, governmental spending, plus the value of exports, minus the value of imports.
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.
GSTN	Government Services Training Network	A program offered by the Human Resources department to offer training to employees.
HIPAA	Health Insurance Portability and Accountability Act	See glossary.
HOME	(not an acronym)	A federal grant to provide housing repairs to qualified homeowners.
HOV	High Occupancy Vehicle	An additional lane on an interstate dedicated to vehicles with two or more passengers during peak traffic times.
HRC	Human Rights Commission	A council appointed commission that advocates and promotes human rights.
HR-CPT	Human Resource Commons Policy Team	A team comprised of various city department heads, who in conjunction with the Director of Human Resources advises the City

<b>Acronym</b>	<b>Title</b>	<b>Description</b>
		Manager on personnel policy and organizational impacts.
HRPDC	Hampton Roads Planning District Commission	A local agency comprised of elected officials and support staff that assists municipalities in economic projections and development.
HRSD	Hampton Roads Sanitation District	A private corporation that treats sewage waste from area municipalities.
HRT	Hampton Roads Regional Transit	An independent transit authority serving the Hampton Roads area.
HSMAI	Hotel Sales and Marketing Association International	The name of a Hotel Marketing Association. Grant awards to the Convention and Visitor Bureau.
HUD	The U.S. Department of Housing and Urban Development	A cabinet branch in the Executive branch of the Federal government.
HVAC	Heating, Ventilating & Air Conditioning	A mechanized unit that provides heating and air conditioning.
IAAO	International Association of Assessing Officers	A professional organization with expertise in property appraisals, assessment administration, and property tax policy.
IBR	Incident Based Reporting	A crime incident-based system through which data are collected on each single incident and arrest within 22 offense categories made up of 46 specific crimes. For each offense, an expanded list of facts about each crime is collected.
ICMA	International City Manager's Association	The professional and educational organization for chief appointed managers, administrators, and assistants in cities, towns, counties, and regional entities throughout the world. ICMA's mission is to create excellence in local government by developing and fostering professional local government management worldwide.
IRP	Investigative Review Panel	A Council mandated panel appointed by the City Manager that reviews citizen complaints against city employees.
JLARC	Joint Legislative Audit and Review Commission	JLARC provides the General Assembly with reliable and valid information for use in legislative decision-making; monitors and reports whether State agencies and programs are in compliance with legislative intent concerning appropriations and objectives; and determines whether State agencies and programs meet criteria of economy, efficiency, and effectiveness.
JLUS	Joint Land Use Study	A cooperative land use planning effort between a military installation and the surrounding communities. It promotes compatible community growth that will support military training and operational missions.
LAN	Local Area Network	A technological term for a specific type of computer network connectivity configuration.
LVR	Local Vehicle Registration	A local vehicle registration fee that is collected with the state registration fee by the Department of Motor Vehicles.
MAC	Member Advisory Committee	A group consisting of representatives from all City departments which was formed to provide input on issues and concerns that affect City members.
MGD	Million Gallons per Day	A public utilities term used to measure daily capacity at the water

<b>Acronym</b>	<b>Title</b>	<b>Description</b>
		distribution plant and sewage treatment plants.
MLT	Management Leadership Team	See glossary.
NPDES	National Pollutant Discharge Elimination System	A federal law eliminating pollutants in storm water run off.
NVRA	National Voter Registration Act	A federal law mandating that the Department of Motor Vehicles, health, mental health, social services, and other state agencies be integrated with the voter registration system.
OSHA	Occupational Safety & Health Administration	A federal agency that regulates work related safety issues.
PAL	Police Athletics League	A Police Department program designed to promote a positive relationship between police and youth, and to channel those youth into organized and pre-existing programs. The program serves “at-risk” neighborhoods and is comprised of both teen and pre-teen members.
PIO	Public Information Office	A City division responsible for providing the public information about services and programs and other information.
PLAY	Promotion Leisure Activities for Youth	This team’s purpose is to develop, promote, implement, and evaluate programs for youth and families at risk. In addition, the team is establishing a collaborative network with Social Services, Community Services Board, Health Department, Public Schools, and Police Department to offer seminars, counseling, training, and educational sessions in substance abuse, teen pregnancy, disease prevention, job training, self-esteem, and career development.
RACS	Revenue Assessment and Collection System	An integrated tax revenue recordation software system designed to improve customer service and efficiency between departments.
RFP	Request for Proposal	An official document sent to vendors with specifications of goods and services to be purchased by the City.
RMP	Resource Management Plan	Document that outlines the expenditure, personnel and revenues needed for financing the annual operations, services, programs and construction projects of the City government. It is comprised of the Executive Summary, Annual Operating Budget, and the Capital Improvement Program.
ROW	Right-of-Way	A right-of-way is a strip of land that is granted, through an easement or other mechanism, for certain purposes.
RPPP	Residential Parking Permit Program	This program is used in the resort area as a tool to manage the demand for residential parking and the control of unreasonable noise during the nighttime hours in resort neighborhoods by restricting parking on residential streets to permit parking between 8:00 p.m. and 6:00 a.m.
SACWIS	State Automated Child Welfare Information System	A state funded program designed to provide every child welfare worker with a computer and the enhancements to better serve and protect vulnerable children.

<b>Acronym</b>	<b>Title</b>	<b>Description</b>
SCG	Strategy Coordinating Group	A group of employees pulled together by the City Manager to develop a comprehensive City Strategy based on the City Council destination points and the work of the Strategy Issue Team.
SCHIP	State Children's Health Insurance Program	State program offered thru the department of Social Services to provide health coverage to at-risk children.
SEC	Securities and Exchange Commission	The primary mission of the U.S. Securities and Exchange Commission is to protect investors and maintain the integrity of the securities markets.
SEVAMP	Southeastern Virginia Area Model Program	A program that provides in-home health care, health promotion, and health education for seniors.
SID	Special Investigative Division	A division of the Police Department whose purpose is to provide investigations of narcotics, vice, street gangs, diversion of prescription drugs, and organized criminal activity in the community; to collect, maintain, use and disseminate street gang and criminal intelligence data to other units within the Police Department and to local, state, and federal law enforcement agencies; and to serve as a liaison to other law enforcement agencies in the coordination of Task Force and multi-jurisdictional investigations.
SIT	Strategic Issue Team	A Strategic Issue Team is one of seven teams formed to manage major City issues as identified by previous Mission Teams and by the City Council's goals. These teams include: Economic Vitality (EVSIT), Safe Community (SCSIT), Quality Physical Environment (QPE), Cultural and Recreational Opportunities (CRO), Quality Education and Lifelong Learning (QELL), Family & Youth Opportunities (FYO) and Quality Organization (QOSIT).
SOL	Standards of Learning	The State of Virginia measures against which students' achievement in school will be measured at different points in their education.
SOQ	Standards of Quality	A term describing the minimum limits the state prescribes for funding reimbursements of school personnel including teachers, principals, and other non-instructional staff.
SPSA	Southeastern Public Service Authority	A private agency responsible for regional waste disposal.
SSI	Supplemental Security Income	Federal aid given to the retired, disabled, and their dependents.
SSSD	Sandbridge Special Service Tax District	A program for beach restoration.
SWMF	Storm Water Management Facilities	Retention ponds that are a part of the storm water management system.
SWU	Storm Water Utility	Name of a fund that performs storm water maintenance activities.
TANF	Temporary Assistance to Needy Families	Federal assistance, which replaces the AFDC and requires all participants to find work after receiving assistance for 24 months and must participate in community services within two months.
TAP	Tourism Advertising Program	See glossary.
TCC	Tidewater Community College	A local community college.

<b>Acronym</b>	<b>Title</b>	<b>Description</b>
TDD	Telecommunication Devices for the Deaf	See glossary.
TDH	Tidewater Detention Home	A secure detention home for juveniles operated by the City of Chesapeake.
TGIF	Tourism Growth Investment Fund	See Fund Description.
TIF	Tax Increment Financing	See glossary.
TIP	Technology Improvement Plan	This is a plan designed to keep computers and other technology used by the City up to date.
TTDC	Tidewater Transportation District Commission	An agency responsible for regional transportation planning.
UCR	Uniform Crime Report	The standard for crime reporting to the FBI for about 60 years. It included the reporting of homicide, rape, robbery, aggravated assault, burglary, larceny, motor vehicle theft and arson, which are called Part I Crimes.
ULF	Ultra-Low Flush	These are toilets that use minimal water per flush and are a part of the Water Conservation Program.
UST	Underground Storage Tank	See glossary.
VBCDC	Virginia Beach Community Development Corporation	A non-profit group dedicated to preserving the City's housing stock.
VBCRC	Virginia Beach Community Recreation Center	Virginia Beach Community Recreation Centers that offer a variety of recreation, education and fitness opportunities to people of all ages. These are the six Recreation Centers: Kempsville, Bow Creek, Seatack, Great Neck, Bayside, and Princess Anne.
VBCSU	Virginia Beach Court Service Unit	An agency of the State Department of Juvenile Justice that provides comprehensive probation, parole, and intake services to the Virginia Beach Juvenile and Domestic Relations Court, the Virginia Beach Police, and the public.
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.
VBHI	Virginia Beach Home, Inc.	An agency that acquires and rehabilitates low-income housing to provide affordable housing for those needing low to moderately priced housing.
VBOP	Virginia Beach Outdoors Plan	A plan to develop the North/South and East/West greenways and scenic waterway systems.
VBQSS	Virginia Beach Quality Service System	See glossary.
VBTV	Virginia Beach Television	A local cable access channel that broadcasts City meetings, seminars, presentations, employment information, and other City business.
VDOT	Virginia Department of Transportation	State agency that maintains state roads and interstate.

<b>Acronym</b>	<b>Title</b>	<b>Description</b>
VIEW	Virginia Initiative for Employment not Welfare	A state welfare reform program that places work requirements and time restrictions on receiving welfare aid.
VJCCCA	Virginia Juvenile Community Crime Control Act	A Virginia block grant that provides funding for non-secure and outreach detention, group home services, and services provided by the Pendleton Child Service Center.
VOIP	Voice-Over Internet Protocol	Protocol optimized for the transmission of voice through the internet or other packet-switched networks.
VOSH	Virginia Occupational Safety and Health Program	A program under the auspices of the Virginia Department of Labor and Industry which sets standards to "...adequately assure...that no employee will suffer material impairment of health or functional capacity."
VRS	Virginia Retirement System	A state retirement system for public employees that provides its members with benefits at retirement, or upon disability or death.