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HOW TO READ THE DOCUMENT

Purpose And Document Changes

Purpose

The operating budget outlines the proposed expenditures, personnel resources, and revenues needed for financing the operations of the government, and the policies/priorities and circumstances on which allocation decisions are based. This document provides the citizens and governing body with an insight to the past, present, and future services and programs of the City.

The City continues to be committed to the strategic planning process and the development of an operating budget based on that process. The City Council has developed a set of "Destination Points" to define their vision of a strong, healthy and vibrant City with a greater quality of life for everyone. The planning process starts as the City Council assesses the current conditions of the City and articulates their priorities to the City staff. In turn, City staff devises a strategy document as the official plan to implement the goals of the City Council. This plan focuses the collective efforts of staff on City Council's priorities and those strategic issues that will help close the gap between where the City is today and the community that it strives to become. In concert with the ongoing delivery of programs and services, this plan provides a strategic focus for the next two years. The strategic planning process responds to both short and long-term goals envisioned by City Council by dividing the City's major program activities into seven strategic issue areas: Economic Vitality, Safe Community, Quality Physical Environment, Cultural and Recreational Opportunities, Quality Education and Lifelong Learning, Family and Youth Opportunities, and Quality Organization. This budget document is subdivided and organized according to these seven strategic business areas.

Format of the Budget

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

On May 11, 2004, City Council established, by resolution, a task force to study the implementation of a biennial budget for the City of Virginia Beach. The task force consisted of three members of the City Council, two members of the School Board, the City Manager, and the Superintendent of Schools. The task force met throughout the summer before recommending a biennial budget process for the City of Virginia Beach. Consequently, City Council directed the City Manager to present a two-year operating budget beginning FY 2005-06 and FY 2006-07, and thereafter. On February 23, 2010, Council directed staff to suspend the development of a biennial budget for FY 2010-11. Although planning and forecasting is still important, the value is negated in this unprecedented economic environment. The Real Estate Assessor recently revised his forecast for depreciation downward and indicated the market is still quite fluid. Consumer driven-revenues, such as General Sales, Meal, and Hotel taxes, are still performing at historical lows. Additional reductions to state aid are imminent for both the City and Schools this year as well as possibly the following year. Given these conditions, forecasting the second year is quite problematic and can establish expectations that may not be achievable (suggesting service delivery based on funding levels that may not be possible if revenues fall short of the second year forecast).

- Introduction – This section contains three parts including the: (1) How to Read The Document section; (2) Summaries showing expenditures and revenues, and interfund transfers; and (3) a detailed revenue section.
- Economic Vitality – This section includes the departments of: Agriculture, Convention and Visitors Bureau, Economic Development, and Housing and Neighborhood Preservation. The mission is to develop strategic options and alternatives to create, enhance, and sustain public/private wealth and income in Virginia Beach, consistent with the overall well being and quality of the community.
- Safe Community – This section includes the departments of: Commonwealth's Attorney, Courts and Courts' Support, Emergency Communications and Citizen Services, Emergency Medical Services, Fire, Police, and Sheriff and Corrections. The mission of this business area is to prevent or respond to threats to the safety of persons or property and taking the necessary action(s) to restore the environment.

- Quality Physical Environment – This section includes the departments of: Planning, Public Utilities, and Public Works. The mission of this business area is to create a shared vision of a quality physical environment for the City.
- Cultural and Recreational Opportunities – This section includes the departments of: Museums and Parks and Recreation. The mission of this business area is to create, nurture and strengthen accessible and sustainable opportunities which are diverse, customer-valued, and provide for the enrichment, refinement, and rejuvenation of the mind, body, and spirit.
- Quality Education and Lifelong Learning – This section includes the departments of: Education and Library. The mission of this business area is to create and continually enhance a cooperative network of lifelong learning, facilitate access to that network, and promote a community focus on the importance of education and continued development of individuals.
- Family and Youth Opportunities – This section includes the departments of: Health and Human Services (the consolidated Department of Mental Health, Social Services, and Comprehensive Services Act). The mission of this business area is to develop, coordinate, and recommend strategic options which foster, through families, the health, economic vitality, safety, and well-being of individuals in the city.
- Quality Organization – This section includes the departments of: City Attorney, City Auditor, City Clerk, City Manager, City Real Estate Assessor, City Treasurer, Commissioner of the Revenue, Communications and Information Technology, Finance, General Registrar, Human Resources, Management Services, Municipal Council, and Non-Departmental (Benefits Administration, Cultural Affairs, Employee Special Benefits, Revenue Reimbursements, Strategic Growth Area Office, Community Organization Grants, Independent Financial Services, and Regional Participation).
- Debt Service – Description, analysis and summaries of the debt service program are included in this section.
- Ordinances – This section contains ordinances that adopt the annual operating budget, sets rates for the property taxes, and miscellaneous amendments to the City Code.
- Appendix – This section contains an overview of the Resource Management Plan, accounting and budgeting basis, various policies and administrative directives, as well as a glossary, a description of major City funds, and a list of commonly used acronyms.

Management Services - Departmental Performance Report

Management Services						
The mission of Management Services is to provide program, fiscal and budgetary policy development and analysis support services to the City Manager, and through the City Manager to City Council for use in formulating City policy. To provide for facility management and coordination of the municipal center and leased space.						
Objective/Performance Measure	Unit	Annual Target	Actual 2008	Actual 2009	Est. 2010	Proj. FY 2011
Customer						
Communicate Resource Issue & Decisions						
Commucation Events	#	1.0	1.0			0
Responses to Citizen Inquiries/FOIA Requests	#	1.0	1.0			0
Complete Ordinances & Resouce Issues for Review						
Adjustments Made to CIP and Budget	#	1.0	0.2	0.4	0.6	0.8
Grants Reviewed	#	1.0	1.0	1.0	1.0	1.0
Ordinances & Agenda Requests Completed	#	1.0	1.0	1.0	1.0	1.0
Coordinate Leases for Buildings/Land						
Leased Space Managed	#	1.0	1.0	1.0	1.0	1.0
Financial						
Biennial Resource Management Plan						
Employees Receiving Budget Training	#	1.0	1.0	1.0	1.0	1.0
Government Expenditures Allocated to Debt Service	%	20.0	1.0	1.0	1.0	1.0
Variation Between Revenue Estimates and Acutal	%	1.0	1.0	1.0	1.0	1.0
Internal Process						
Management Support For City Manager & Council						
F			1.0	1.0	1.0	1.0

This section identifies the key mission statement of the department.

This section identifies the key objectives of the department in meeting its mission. This section identifies the performance of the department toward achieving its objectives and provides an explanation of any changes in performance. Objectives are identified in bold with related performance measures below. The objectives are divided into one of several categories "customer", "financial", "internal process" and "learning and growth".

Note:
This City document provides financial and programmatic information for one fiscal year. Financial data is required for the last completed fiscal year and the current budget.

Major Changes

In total, the Department of Management Services budget for FY 2010-11 decreased by \$406,171 or 10.1%. The department’s proposed budget also includes the reduction of 1.0 FTE.

Change	Impact
Elimination of Community Organization Incentive Grant Program	<ul style="list-style-type: none"> This will eliminate the City's Community Organization Incentive Grant Program and the support staff position for this program. The Incentive program provides start up grants to existing not-for-profits organizations to begin new programs to assist Virginia Beach. Management Services the City Council appointed Committee's provided copy and mailing support, DG grant applications, ensured grant and processed invoices related to the various grants.
Elimination of leased space at Princess Anne Executive Park	<ul style="list-style-type: none"> The City will eliminate the lease of office space at Princess Anne Executive Park which currently houses the Purchasing Division of the Finance department. With the numerous positions that the City is eliminating as a part of the FY 2011 budget, office space at the Municipal Complex will be consolidated and these 14 positions will be relocated.

This section describes the major changes in the programs for the department.

This section describes the basic programs of the department and how it is financed.

Additional information about program reductions is provided in the Budget Not Funded listing in the Introduction section of the document.

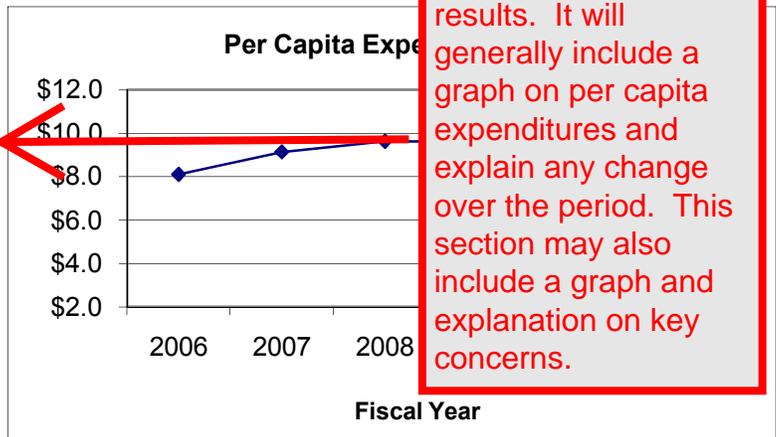
Departmental Overview

The Department of Management Services receives all of its funding from general City revenue. The department is comprised of two programmatic areas:

- **Management and Budget Analysis** is responsible for the development and preparation of the Resource Management Plan which includes the Operating Budget and six-year Capital Improvement Program as well as the annual Five-Year Forecast. Staff also provides issue management and analytical support on large complex development/construction projects and conducts ongoing reviews of public/private partnerships to address the fiscal, budgetary, and economic impacts of proposals.
- **Facilities Management** coordinates leases for office space, contracts for building maintenance and management of the Municipal Center buildings and rental space and parking.

Trends and Issues

- The Department of Management Services has acquired and implemented the City’s new budgeting software which streamlines the operating budget, capital improvement program, and performance measurement.
- Budgeted expenditures per capita for the department have decreased each year since their peak in FY 2007-08. The reduction in FY 2010-11 is due to the elimination of a position and the lease at Princess Anne Executive Park.



This section focuses on trends that are affecting funding and results. It will generally include a graph on per capita expenditures and explain any change over the period. This section may also include a graph and explanation on key concerns.

Management Services - Departmental Resource Summary

	FY 2009 Actual	FY 2010 Adjusted	FY 2011 Proposed	Variance from FY 2010
<u>Program Summary</u>				
<u>002 General Fund</u>				
<u>Expenditures</u>				
Management and Budget Analysis	1,649,612	1,649,923	1,533,276	(116,647)
Facilities Management	1,992,908	2,384,591	2,095,067	(289,524)
Total Expenditures	<u>3,642,520</u>	<u>4,034,514</u>	<u>3,628,343</u>	<u>(406,171)</u>
General City Support	<u>3,642,520</u>	<u>4,034,514</u>	<u>3,628,343</u>	<u>(406,171)</u>
Total Department Expenditure	3,642,520	4,034,514	3,628,343	(406,171)
Total Department Revenue	0	0	0	0
Total General City Support	<u>3,642,520</u>	<u>4,034,514</u>	<u>3,628,343</u>	<u>(406,171)</u>

This section identifies expenditures and revenues by program unit that supports the department's mission.

Position Summary by Program

<u>002 General Fund</u>				
Management and Budget Analysis	18.00	17.00	16.00	-1.00
Facilities Management	3.00	3.00	3.00	0.00
Total	<u>21.00</u>	<u>20.00</u>	<u>19.00</u>	<u>-1.00</u>
Total Position Summary	<u>21.00</u>	<u>20.00</u>	<u>19.00</u>	<u>-1.00</u>

Also identified is the total personnel allocated to the department by program unit.

Note:

- 1. Position counts are expressed in terms of full time equivalents or FTEs. This is the total number of hours worked divided by the number of hours for a full-time employee. This allows a more accurate count of positions by standardizing various work schedules for part-time employees.**
- 2. Once City Council votes to adopt the Resource Management Plan, changes that affect the department section will be included as a Council Amendment at the end of each departmental write up.**