WE WORK TOGETHER...

BUILDING A WELL-MANAGED GOVERNMENT

PROPOSED FISCAL YEAR 2017 BUDGET
CITY OF NORFOLK, VIRGINIA

100 RESILIENT CITIES

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THE CITY OF NORFOLK
OFFICE OF THE CITY MANAGER

April 12, 2016

Honorable Mayor and City Council
City of Norfolk, Virginia

I respectfully submit to you the Proposed Fiscal Year (FY) 2017 Financial Plan for the City of Norfolk, which is comprised of the General Fund, Enterprise Funds, Special Revenue Funds, Internal Service Funds, Capital Improvement Plan, and the Annual Plan for Housing and Urban Development (HUD) Block Grant programs. A summary of the Proposed Financial Plan is shown in the table below:

Fiscal Year 2017 Financial Plan	
Fund	**Proposed Budget**
General Fund	$831,261,000
Enterprise Funds	$138,036,398
Special Revenue Funds	$61,120,099
Internal Service Funds	$101,476,600
Total Operating Funds	**$1,131,894,097**
Capital Improvement Plan	$83,029,200
Total Operating and Capital Funds	**$1,214,923,297**
Annual Plan for HUD Block Grants	$6,338,317
Total Financial Plan	**$1,221,261,614**

The Proposed FY 2017 General Fund Budget is $831.3 million. This is $18.9 million, or 2.3 percent, above last year's Approved Budget. This budget demonstrates that even with a minimal increase the city is able to operate efficiently and maintain a structurally sound financial base that ensures stability and expands opportunities. This stability is crucial as we build a 21st century city.

As the core of the Hampton Roads region, we are seeking new and innovative ways to grow and prosper. In order for us to thrive, we must leverage the talent that exists in our neighborhoods, businesses, and institutions of higher education.

Over the past five years, we have established partnerships with businesses, non-profit organizations, higher education institutions, and community stakeholders. These partnerships have spurred investment, accelerated innovation, built momentum, and made Norfolk an even better place to call home.

Developing community-based partnerships improves the quality of life for all residents. The programs created and supported through these partnerships represent community-led initiatives that address the diverse needs of residents.

We have invested in placemaking to create an environment where people want to visit and live. This investment is paying off. Companies are relocating to Norfolk, some from suburban locations, to capitalize on the authentic urban environment. Recently, over 5,000 new jobs have been added to the city because companies want to invest in Norfolk.

Partnerships between the city and cultural organizations have strengthened Norfolk's position as the arts and culture center of the Commonwealth. Residents and visitors have access to waterfront festivals, operas, Broadway productions, art exhibits, baseball and hockey games, and more.

Norfolk's concentration of institutions of higher education is an asset that is leveraged through successful collaborations. Higher education institutions also provide businesses with a large pool of well-qualified potential employees. Coupled with the highly trained military talent pool, the transfer of that knowledge base and investment into the community is key to long-term economic security and job growth.

The growth and vibrancy of the city is accessible through a diverse transportation network. Norfolk continues to lead the way as the most multi-modal city in the Commonwealth. We are building on the transportation network by exploring light rail expansion, increasing the number of Amtrak itineraries, and implementing a bike plan to connect neighborhoods and job centers.

This budget supports the continued efforts of the past five years and allows us to retain and build on our historic port city's diverse, dynamic, and unique culture.

Where We Were

Five years ago, I presented a proposed budget to you less than 100 days after becoming the City Manager. The FY 2012 Budget presented opportunities for improvement throughout the city.

At that time, Norfolk was still experiencing the effects of the recession that had officially ended nearly two years prior. The largest source of locally-generated revenue, real estate tax revenue, was still in an unprecedented decline. This left us in a position where we were challenged to fund our existing programs and services.

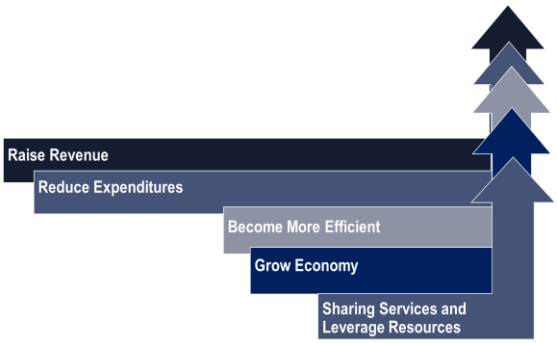
The Proposed FY 2012 Budget had a budget gap of over $30 million between estimated revenues and expenditures, and the projected budget gaps for years to come were equally as large. We were able to close the budget gap without significant layoffs that would have affected hundreds of city employees and their families. However, the budget gap was closed by using one-time revenue to support ongoing expenditures, creating budgets that were not structurally balanced.

Moving forward, we committed to become a well-managed government, guided by initiatives and priorities to strengthen our city, connect residents, and improve financial sustainability. This

commitment required us to analyze how the city functions and could improve to better serve the residents of Norfolk.

Guiding Principles

The Proposed FY 2017 Budget is shaped by establishing partnerships and leveraging resources, and the continued commitment to being a well-managed government. As in prior years, the budget was developed using our five-pronged approach to fiscal resilience that analyzes ways to raise revenues, reduce expenditures, become more efficient, grow the economy, and leverage resources. The Proposed Budget supports all six of the city's priorities, with added emphasis on Safe, Healthy, and Inclusive Communities and Well-Managed Government. The following initiatives highlight some notable elements of the Proposed FY 2017 Budget:

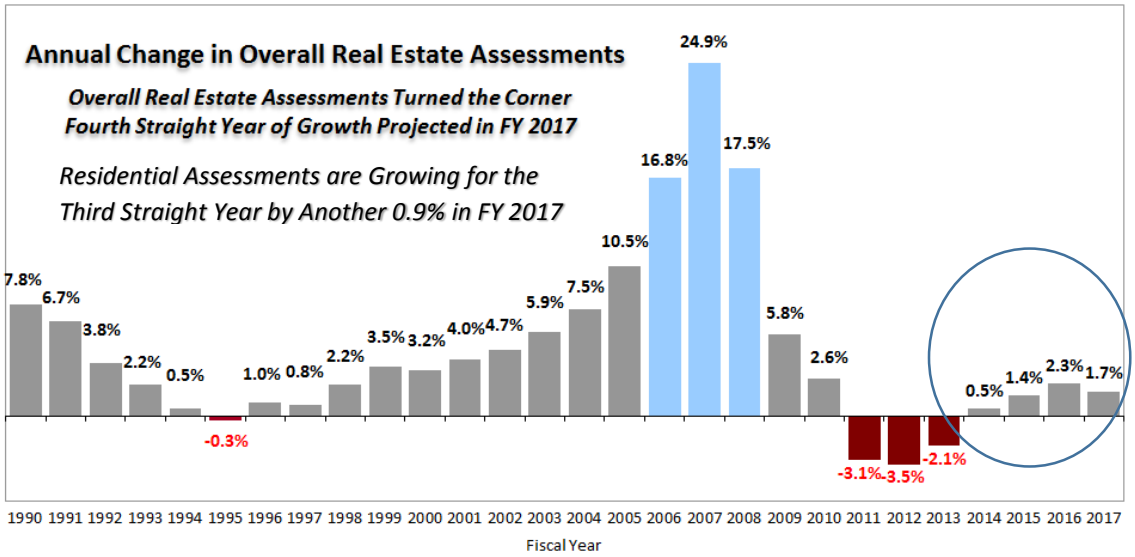


- Introduces a comprehensive compensation plan for sworn police and fire-rescue, designed to attract and retain talent;
- Invests in employees by adjusting the living wage for the third year in a row and provides a two percent general wage increase;
- Provides for a one-time two percent cost of living allowance (COLA) for retirees;
- Creates a multi-disciplinary Office of Resilience to help prepare the city for climate change, strengthen economic competitiveness, and ensure the highest quality of life possible for residents;
- Supports our evolution as a Smart City by dedicating $4.1 million to replace and upgrade broadband infrastructure, and expands internet accessibility and bandwidth through free public Wi-Fi in strategic areas of the city;
- Dedicates $30.0 million for neighborhood projects through leveraging federal, state, and local resources, including $2.5 million in capital funds towards emerging districts;
- Invests in the growth of local business with an increase in the cigarette tax and dedicated funds for small, women, and minority-owned businesses and community Business Cafés;
- Dedicates $250,000 to support a local incentive hiring program; and
- Increases the city's commitment to schools by dedicating $3.0 million in capital funds to Norfolk Public Schools for maintenance and $1.5 million for the local share of the state salary increase.

Financial Backdrop

The increase in the Proposed FY 2017 Budget indicates Norfolk continues to thrive. The city has shown signs of rebounding from the recession. Real estate assessed values overall have turned the corner and are rising for the fourth straight year; however, we have not reached the pre-recession peak. Real

estate *revenues*, closely tied to assessed values, have just returned to the pre-recession peak, after *excluding* revenue from *three cents* of the four-cent tax rate increase dedicated to Norfolk Public Schools operations and Construction, Technology and Infrastructure (CTI) Program. During the three years of unprecedented decline in real estate values, we lost nearly $14.0 million in revenue. It has taken seven years for real estate revenue to return to the pre-recession peak.



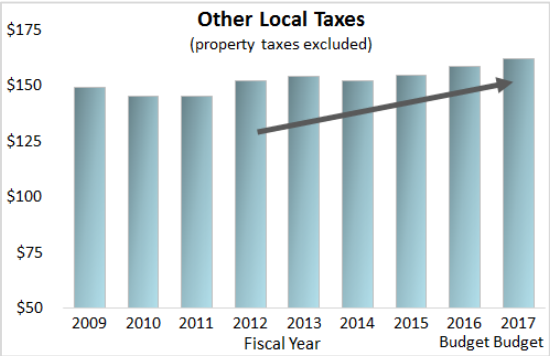
Source: Real Estate Assessor annual report (various years) and Real Estate Assessor FY 2017 projected growth on July 1, 2016

Despite the increase in assessments, the average homeowner will still be paying about $209 less than in FY 2010, the height of residential assessments. While I am **not** proposing an increase in the real estate tax rate, a one-cent increase for the average homeowner would result in $1.75 increase each month (or $21 increase a year), but would provide about $1.76 million in additional revenue for city priorities.

Impact on Average Homeowner's Tax Bill	
FY 2016: Average homeowner's tax bill (at $1.15 rate)	**$2,345**
FY 2017: Estimated average homeowner's tax bill (at $1.15 rate)* Increase in tax bill (due to FY 2016 reassessment)	**$2,366** $21
Decrease from average homeowner's tax bill in FY 2010 of $2,575	**-$209**

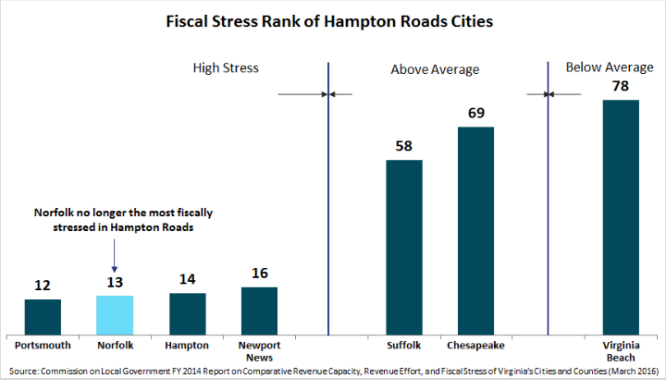
* Based on Real Estate Assessor estimate of residential assessments (with condominiums) and number of parcels in FY 2016

Our other local taxes, which are sensitive to local economic conditions, have been growing steadily since FY 2012. Sales tax, meals tax, and admissions tax collections have been rising as a result of more people buying retail goods, eating out, and attending shows or concerts in Norfolk. The opening of The Main Hotel and Conference Center, a public-private partnership, as well as the improvements we continue to make to our venues and the on-going support of our arts and culture

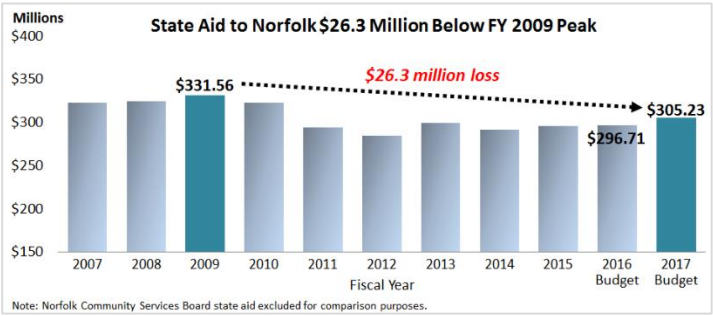


community, will keep drawing tourists and visitors to the city. The prudent investments we have made, as part of the overall economic development strategy, are working and will further expand our financial capacity.

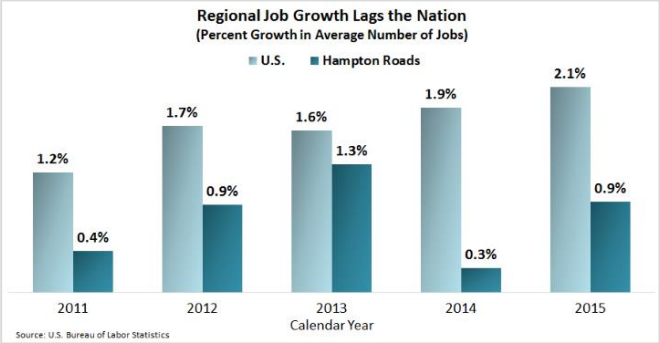
The growth in these locally generated revenues is reflected in our fiscal stress ranking. The fiscal stress index, produced by the Commission on Local Government (CLG), measures a locality's overall fiscal well-being and ability to generate additional revenue relative to other localities in Virginia. The latest report from CLG based on FY 2014 data shows Norfolk as the 13th most fiscally stressed in the Commonwealth. Ten years ago, Norfolk was the 3rd most fiscally stressed locality in Virginia, behind the Cities of Emporia and Covington. The latest report from CLG also shows Norfolk is moving in the right direction; we are no longer the most fiscally stressed of the seven cities in Hampton Roads.



Norfolk, like other localities, also relies heavily on state aid to help support basic city services such as, public education, human services, public safety, street maintenance, and constitutional officers. Enhanced state support in FY 2017 contributed significantly to our revenue growth. About 46 percent of the growth is due to state aid, with the majority of that increase directed towards public education. In addition, for the first time since FY 2006, state funds for law enforcement (also known as HB 599) are increasing by $355,000. Despite the increase in FY 2017, state aid remains below its peak level in FY 2009 by $26.3 million, even though the Commonwealth's General Fund revenues have exceeded its pre-recession peak since FY 2012. Some of the loss in state aid will not be recovered because of changes made to state reimbursement rates or methodology. To sustain our financial recovery, it is essential that state support continues to grow. The city's General Fund revenues have only increased 2.2 percent in the past five years, partly due to the slow recovery of state aid, even though the Commonwealth's General Fund revenues have increased 11 times faster over the same period.



State budget actions have a significant impact on the city; however, the broader economic landscape also impacts the local financial outlook. Job growth is one of the most important economic indicators



of a local economy's health. Job growth leads to greater economic activity and, thus, higher tax revenue for the city. Norfolk is home to the highest paying jobs and approximately 20 percent of the jobs in the region. However, our region has struggled to regain the jobs lost as a result of the recession; in comparison, Virginia and the nation have already recovered the jobs lost during the recession. While growth in local employment is projected to continue, this growth is projected to lag the national rate of growth, consistent with recent years.

Focused on Accountability

Over the past five years, a series of purposeful actions have been implemented to stabilize and position Norfolk to thrive in the face of fiscal stress. These ideas build on the foundation of a well-managed government and promote better city services through data-driven management decision-making and accountability. Financial policies were implemented to strengthen long-term sustainability and improve internal controls. Processes have been streamlined to increase efficiency and decrease expenditures. This commitment to good financial management and efficient service delivery continues, while holding onto the values of our vibrant city.

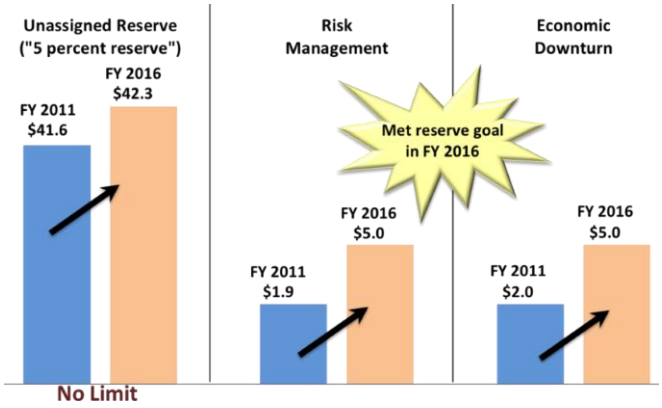
Financial Stability

City Council approved financial policies in July 2013 to improve the city's long-term financial sustainability. The policies included achieving a structurally balanced budget within five years, formalizing a plan to fund reserves, adopting self-imposed debt affordability measures, and formally adopting financial policies for the Parking Facilities Fund. Furthermore, we committed to monitoring the policies annually and revisiting them every two to three years.

A structurally balanced budget exists when the city is able to pay for recurring expenditures without using savings from the previous year or reserve funds. A structurally balanced budget was accomplished four years ahead of schedule in FY 2015. By continuing good fiscal practices, a structural balance was maintained in FY 2016 and the Proposed FY 2017 Budget is again structurally balanced.

As a result of structural balance for three consecutive years, the budget gaps we face now are significantly less than in prior years. In the past, budget gaps recurred and were not truly closed because of the use of one-time resources to address them. The projected budget gap for FY 2018 is $8.3 million. While becoming a leaner government has minimized the budget gap in future years, it has also highlighted the need for sustainable revenue growth or creative public private partnerships to support new projects and initiatives.

The financial policies also called for fully funded reserves. The General Fund Unassigned Reserve has a minimum goal of five percent of the budget. The city is self-insured and has therefore set a Risk Management Reserve goal of $5.0 million. To abate the impact of short-term economic downturns on the overall budget, the city set an Economic Downturn Reserve goal of $5.0 million. With the FY 2016 budget amendment, City Council increased the Risk Management Reserve and the Economic Downturn Reserve each by $1.0 million. This increase brought these reserves to the financial policy goal.



Internal Improvements

Finding more efficient ways to perform duties while maintaining high quality services is built into the fabric of our everyday work. This mantra allows for continuous improvement and ongoing evaluation of programs and services leading to cost savings and streamlined processes. Internal controls and administrative processes have been improved over the past five years to reduce costs, strengthen service delivery, and ensure the efficient use of city resources.

Recent Policy Initiatives: In FY 2014, the city formed two in-house analysis teams that have been influential in recent policy initiatives. The Executive Strategic Evaluation Teams (ESET) and Strategic Workforce Analysis Teams (SWAT) have been instrumental in the development and implementation of cost savings strategies, improvements to operations and service, and identifying cost avoidance strategies. The teams pulled together expertise across departments to analyze current service models. Projects undertaken by these teams have dealt with reduction of discretionary spending; co-location of essential social and human services; identification of opportunities for centralization of cross-departmental functions; and enhancement of existing city databases and database utilization processes.

The work undertaken by the ESETs and SWATs has served to further enhance a rapidly developing culture of evaluation within the city. Consequently, other internal improvements have been achieved outside of the formalized ESET/SWAT process, including:

- Creation of the Department of General Services to centralize internal operations;
- Conversion to self-administered healthcare model, resulting in a $6.0 million cost avoidance for the healthcare consortium;
- Consolidation of communications and information technology into one department to reduce operating redundancies;
- Revision of Human Resources policies, including streamlined hiring practices and creation of the Supervisor's Leadership Academy;

- Introduction of increased efficiencies in fleet and facilities maintenance;
- Purchase of gasoline and diesel fuel at a set contract price, locking in the price of fuel and allowing the city to accurately budget fuel expenses over the course of the fiscal year and resulting in over $2.0 million in savings between FY 2015 and FY 2017;
- Reduction of discretionary spending;
- Implementation of a "paperless initiative" to automate as many processes as possible; and
- Creation of the Department of Neighborhood Development to focus on building sustainable neighborhoods.

Improvements to department-specific processes and controls creates a more efficient and effective workplace for all employees. The commitment to improvement will continue into the new fiscal year.

Department of Finance: Examples of strengthened internal controls include department specific financial training, mapping of financial processes that involve accounting transactions, and managing inputs to financial accounting reports to insure integrity and consistency. Revised accounting policies and procedures enhance financial reporting, transparency, system security, and improve annual financial reports.

The Proposed FY 2017 Budget bolsters these initiatives by enhancing professional credential requirements, employing certified, experienced accountants, and training personnel in key areas of collections, payroll, purchasing, and retirement.

Department of Human Resources: The city's time and absence management system will be updated to automate the leave request process and standardize the calculation of overtime and recording hours worked. The enhanced procedures will increase the accuracy of employee compensation, standardize city operations, and improve accountability.

The Changes are Working

Norfolk has steadily improved city operations and maintained fiscal integrity while rebounding from the worst national recession in decades. A commitment to being action-oriented and addressing the fiscal and environmental challenges that face us, positions Norfolk to continue to thrive in the years to come. Some notable accomplishments from this past year include:

- Contributed to the successful application for a $120.5 million grant, awarded to the Commonwealth of Virginia from the U.S. Department of Housing and Urban Development's National Disaster Resilience Competition (NDRC). Once distributed, the funds will enable Norfolk to create the model costal community of the future.
- Ranked 66th out of the top 100 Best Fleets in North America and awarded the Governor's Green Fleet Award from Virginia Clean Cities. Fleet Services is greener by adding Compressed Natural Gas cars and installing publicly available charging stations for electric cars.

- National recognition for the innovative work accomplished by city employees. Fleet Manager, Facundo Tassara, Superintendent of Waste Management, Harvey Howard, and Director of Planning, George Homewood, were recognized for their on-the-job innovation. Facundo was named one of the "Top 20 under 40" government fleet professionals by Government Fleet Magazine, and Harvey was named Professional Manager of the Year – Solid Waste by the American Public Works Association. George was elected to the American Planning Association's College of Fellows, the planning profession's highest honor.
- Named the 2015 Crisis Intervention Team (CIT) Virginia Program of the Year by the Virginia CIT Coalition. Lt. Wayne Handley was also awarded the 2015 Lambert/Ratcliffe CIT Trainer of the Year by the Virginia CIT Coalition.
- Recognition for Norfolk's innovative approach to achieving fiscal stability in the face of fiscal stress was highlighted in the February 2016 Government Finance Review.

- Received the 2016 Donald Hunter Excellence in Economic Development Award from the American Planning Association for the Global Initiatives Fund. Norfolk is the only locality in the Commonwealth to offer such a program for local exporters looking to expand in the global marketplace.
- Received national recognition for Keep Norfolk Beautiful with the award of the 2015 President Circle Award at the national conference of Keep America Beautiful. Keep Norfolk Beautiful was also judged best in the nation (population 100,001 – 250,000) for creating a more beautiful, cleaner, and improved environment.
- Added over 5,000 new jobs recently with the announcement of ADP establishing a regional office in downtown Norfolk, Movement Mortgage moving their operations center to Military Circle, Norfolk Southern relocating jobs from Roanoke, and the construction and opening of the Main, Waterside District, and Simon Premium Outlets.

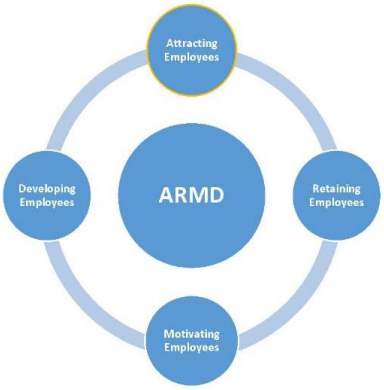
The Future Begins with our Workforce

We are the fourth largest employer in Norfolk and among the top 20 largest employers in Hampton Roads. City staff represent an array of talented professionals. Norfolk employees are keeping streets safe, building schools, ending homelessness, collecting refuse, delivering clean drinking water to residents, and keeping the city running. Attracting, training, and retaining capable and dedicated employees is the key to the continued success of the city.

While the city's population has increased as more people are drawn to the amenities of urban life, the level of staff delivering

services has decreased. Because of the strategic efforts to streamline delivery of services, employees are doing more with less. High-performing and innovative employees are the foundation of productivity. Retaining these dedicated employees requires an employer who is equally committed to their success.

Attraction, Retention, Motivation, and Development (ARMD)



In FY 2015, a three-year initiative was adopted to recruit, retain, and motivate employees, while ensuring effective and efficient service delivery for residents. In FY 2016, Phase II of ARMD was implemented. The programs and momentum of Phase I were continued, and we ushered in a focus on enhancing employee development opportunities. Phase II included the following:

- Step increase for sworn employees of Police, Fire-Rescue, and Sheriff;
- Two percent general wage increase for employees, including Constitutional officers and temporary employees;
- Salary range increase for the city's most regionally out-of-market classifications;
- Establishment of the Deferred Retirement Option Program for sworn employees;
- Increased the permanent employee living wage hourly rate to $11.47 in FY 2015 and to $11.66 in FY 2016, equal to the federal poverty rate for a family of four;
- One-time $300 supplement for qualified retirees in FY 2016; and
- Implementation of a workplace ethics training for all employees geared toward promoting a professional environment and ethical culture throughout the city.

The proposed FY 2017 Budget is the final phase of the ARMD initiative and includes: a two percent salary increase for general and constitutional officer employees; a step increase for sworn Sheriff employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out-of-market classifications. All actions are effective January 2017.

Public Safety

The ARMD Phase III implementation also included a comprehensive update to the compensation plan for Police and Fire-Rescue employees. Public safety compensation remains a high priority, and as such, I have worked closely with the police and fire chiefs over the last year to examine the compensation needs of both departments. The result of these meetings is a redesigned public safety compensation plan that gives Norfolk a competitive advantage within the region to attract and retain talented individuals.

The proposed redesigned compensation plan is a two-year approach to address regional competitiveness, retention, and compression issues. With the implementation of the revised plan, Norfolk becomes the second highest in the Hampton Roads region for recruit pay. The average pay increase for sworn police and fire is between five and six percent and will begin in January 2017. Additionally, the plan provides market-based, regionally competitive salaries by adjusting the minimum and maximum pay for all sworn classifications.

Both police and fire experience higher attrition rates within the first two to five years of employment, leading to a loss of valuable institutional knowledge and increased costs to fill the vacant positions. Each recruit represents a significant financial investment. According to the Police and Fire-Rescue Departments, approximately $70,000 is spent to train a Fire-Rescue or Police recruit. We want to incentivize continued employment with the city to capitalize on the investment made in training and retain an experienced force to continue to keep Norfolk safe.

To decrease departure during key years, the redesigned compensation plan targets the attrition years by providing periodic five percent salary increases, an enhanced career path progression, and a shorter time to reach maximum pay. The Master Police and Master Firefighter programs, which recognize the attainment of certain education, certification, performance, and training goals, will also be preserved and improved.

We continue to annually augment the operational needs of the Police and Fire-Rescue Departments. Keeping residents safe requires investment in reliable, state-of-the-art public safety equipment and facilities. In an increasingly digital society, this includes the installation of in-car cameras and computers for police vehicles, the use of body cameras for police officers, and upgrades to the firearm simulation equipment.

The demands of public safety also require mission-specific vehicles, such as ambulances, police vehicles, and fire trucks. Though there will always be a need for more equipment, we are doing our best to ensure an effective public safety fleet. In FY 2016, $2.6 million was dedicated to the purchase of five new ambulances and two new pumper trucks for Fire-Rescue. Additionally, the FY 2016 Budget dedicated $750,000 for new vehicles for police, including an animal management truck and over twenty marked and unmarked vehicles. The Proposed FY 2017 Budget provides an additional $750,000 for police vehicles.

Retirement

The Norfolk Employees' Retirement System (NERS) provides retirement benefits to the men and women who laid the groundwork to position Norfolk where we are now. As a result, we are keenly aware of the need to ensure the stability of our retirement system.

Unlike many retirement systems, including the Virginia Retirement System (VRS), NERS does not and never has included a provision to provide an automatic cost of living adjustment (COLA) to retirees.

However, when possible, the city provided one-time COLA's to retirees on an annual basis. From FY 2001 – FY 2008, prior to the Great Recession, the city provided a COLA to retirees every year.

Since FY 2008, the financial landscape has changed dramatically. The Great Recession hit Hampton Roads, and Norfolk specifically, very hard. Resources were limited to provide a COLA for retirees until we began emerging from the recession in 2013. Since that time the city provided a two percent one-time COLA to retirees in FY 2013 and a bonus of $300 to eligible retirees in both FY 2015 and FY 2016, which is equivalent to an average supplement of 2.1 percent.

In 2010, another more subtle change took place that has a more lasting impact on the city's ability to offer retiree COLAs than the Great Recession. The Governmental Accounting Standards Board (GASB) released new rules, effective in 2014, on how auditors and actuaries must treat one-time COLAs. Simply put, if the city provides a COLA frequently, it will be treated as an automatic plan feature.

The financial impact to NERS and to the city would be extreme if the auditors and actuaries determined that a COLA was a permanent plan feature of the retirement system. Where a one-time two percent COLA costs the General Fund approximately $1.0 million a year, a permanent two percent COLA would cost the General Fund about $20.0 million in the year after it is implemented. While the city is currently stable financially, an additional $20.0 million in ongoing expenses will be extremely difficult to absorb without new revenue or a decrease in expenditures elsewhere.

A permanent COLA would also negatively impact NERS's funded status. Funded status measures a retirement system's assets compared to its projected liabilities (payouts). Funded status is an important measure of a system's health and is considered by credit rating agencies when determining the city's credit rating. A funded status of 80 percent or higher is generally considered healthy. Currently NERS's funded status is 85 percent. A two percent automatic COLA would reduce the system's funded status to 73 percent, below the level which is considered healthy.

We value our retirees and their years of service to the City of Norfolk. Therefore, I am recommending a one-time two percent COLA in the Proposed FY 2017 Budget. However, in light of the new GASB regulations, it is important that we do not create a pattern of providing COLAs that could jeopardize the city's financial stability. Therefore, I recommend that City Council pass a resolution that directs any COLA or bonus granted in the future to be funded from the General Fund. The resolution will make a strong statement to our auditors and the investment community that the city can afford its retirement fund obligation.

Geared Towards the Future

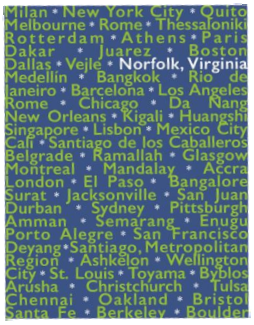
Resilience – Designing the Coastal Community of the Future

Norfolk is a recognized leader – domestically and internationally – in the resilience movement. Named as one of the world's first members of 100 Resilient Cities (100RC), a program pioneered by The Rockefeller Foundation, Norfolk is helping to build a global practice of resilience by working with cities

around the world. As a member of 100RC, Norfolk led a year-long rigorous process to better understand city's resilience landscape, and develop a community-driven resilience strategy to bolster the city's resilience to three major challenges prioritized by the community. These challenges include recurrent flooding and sea level rise; a shifting economy; and a need to build more connected, healthy neighborhoods.

Launched in October 2015, the strategy represents a commitment to a new way of doing business – collective, integrated and coordinated action to build resilience. Driven by three key goals, the strategy views the city's challenges as opportunities to change in resilient ways. These goals include 1) designing the coastal community of the future, 2) creating economic opportunity by advancing efforts to grow existing and new sectors, and 3) advancing initiatives to connect communities, deconcentrate poverty, and strengthen neighborhoods. The strategy turns the city's challenges into opportunities to change in resilient ways.

To effectively align opportunities, connect internal and external stakeholders and resources, the Proposed FY 2017 Budget creates a multi-disciplinary Resilience Office to expand and institutionalize this integrated approach to building the city's resilience to the environmental, economic, and social stresses and potential shocks that challenge the city. The Resilience Office will continue to actively leverage opportunities and resources across city departments, local community, as well as national and international partners. Examples of these partnerships include:



- Partnering with the Commonwealth of Virginia, The Rockefeller Foundation, universities and other local, regional and international stakeholders to implement the National Disaster Resilience Competition (NDRC) Grant of $120.5 million to pilot resilient adaptation to flooding in the Ohio Creek Watershed and establish the Coastal Resilience Laboratory/Accelerator to accelerate innovation around and adaptation to new coastal environmental conditions impacting coastal cities across the globe.
- Collaborating globally with international and local water management experts during Dutch Dialogues Virginia: Life at Sea Level in June 2015. The program developed strategies that promote integrated water management and resiliency, applicable to Norfolk and communities across the region.
- Partnering with the U.S. Army Corps of Engineers to develop a Flood Risk Management study. The final study will equip us to better serve the unique water management needs of each watershed.
- Developing the green iteration of tactical urbanism with the Street Plans Collaborative Workshop, planned for June 2016. City staff will work with businesses in the Arts District to develop parcel level water management strategies.

- Partnering with the U.S. Navy and other local and regional stakeholders to develop a Joint Land Use study on the impact of sea level rise.
- Integrating the implementation of Mayor's Commission on Poverty Reduction recommendations.

Norfolk is a Smart City

A Smart City integrates multiple technologies to enhance the quality of life, livability, workability, and sustainability for residents, businesses, and visitors. As dependency on technology grows, the city needs to be able to accommodate changes that allow connectivity with our mobile customers. By using a holistic approach to technology integration, service delivery becomes intelligent, interconnected, and efficient.

As a Smart City, technology and data analytics are embedded in the infrastructure to improve real time responses. Initiatives that are currently underway include:

- BasicGov online permitting;
- Increasing electric vehicle charging stations;
- GIS data and mapping;
- Smart parking meters;
- Smart Processing;
- STORM weather event analysis;
- TITAN storm surge tracking;
- Increasing public connectivity; and
- Increase public Wi-Fi availability.

In support of the Smart City initiative, the Proposed FY 2017 Budget enhances connectivity by allocating $4.1 million to expand broadband and free public Wi-Fi access.

Broadband technology is becoming ever more necessary to connect in today's digital world. Many city departments currently rely on high speed internet to ensure effective delivery service for residents. To ensure continued broadband access, the Proposed FY 2017 Budget dedicates $3.6 million to replace and upgrade end of life broadband equipment (nodes) and install fiber.

The nodes are a technology backbone that encircles the city and helps provide data at broadband speed to city facilities. City-owned fiber will connect facilities to the city's broadband network, replacing the fiber that is currently being leased. This also creates an opportunity to increase competition among internet providers and decrease cost for businesses.

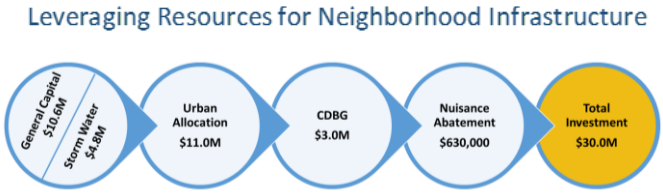
The overall investment creates capacity for us to partner with schools to ensure low-cost, reliable broadband access. Additionally, we will be able to increase broadband accessibility and bandwidth for residents in the city's many libraries and community centers to ensure that everyone can benefit from the abundance of opportunities available online. This also allows for partnerships with non-profit and the private sector to help the city pilot projects to bring broadband service to businesses, schools, and residents.

Finally, MacArthur Square and Town Point Park will provide free Wi-Fi to visitors beginning in the summer of 2016. Expanded Wi-Fi in public libraries will be a phased approach, targeting the areas of the city most in need of free, reliable internet service.

Creating Neighborhoods of Choice

Neighborhoods are the fabric of our city, where our residents live, work, and play. In FY 2015, with the creation of the Department of Neighborhood Development, we began implementing a new service delivery model focused on collaboration and community problem solving. In FY 2016, we began the process of moving away from our traditional neighborhood plans and towards a more holistic citywide funding model.

The FY 2017 Proposed Budget continues building on this momentum. We are leveraging multiple funding sources and investing in neighborhoods and our partners across the city to create a place for all residents to call home.



Norfolk continues to leverage multiple funding sources to build and maintain vital capital assets to meet the needs of residents, especially in low-income communities. In FY 2017, $30.0 million is dedicated for neighborhood infrastructure projects, leveraged through state, federal, private, and local sources. This includes $11.0 million from Virginia Department of Transportation's (VDOT) Urban Allocation funds, $7.5 million of which is dedicated to pedestrian crossings and sidewalk improvements. Infrastructure improvements will connect neighborhoods physically, through an improved transportation network, and digitally. The proposed improvements also address flooding and beach erosion; improve community assets like recreation centers, community centers, and libraries; and improve the safety of residents through enhanced street lighting and pedestrian improvements.

We are also leveraging federal funds from Community Development Block Grants (CDBG) for neighborhood infrastructure and programming. Investing CDBG funds directly into neighborhoods allows the city to maximize the impact of its federal dollars. CDGB funds support economic

development, infrastructure, homeless prevention, advocacy, and youth programs. The following are examples of some projects being funded:

- $103,000 for two case manager positions for the Norfolk jail to implement the Rapid Intervention and Recidivism Reduction program;
- $187,000 for the Homeless Action Response Team and the End Chronic Homelessness Program; and
- $75,000 in continued support of CIT, an award-winning partnership between Norfolk Police and the Norfolk Community Services Board to better serve mentally ill persons.

Neighborhood Development extends well beyond the citywide financial investment we make. Great neighborhoods have at their core empowered, connected, and committed residents. The ***Neighbors Building Neighborhoods*** program is designed to build on that capacity among our residents. The initiative functions on the premise that more cohesive communities are safer, more prosperous, and become neighborhoods of choice. Neighborhoods of choice are places where people want to live, invest their time, money, and energy. They are also a place where neighbors manage issues and change successfully without the dependency on government.

The Norfolk Cares IMPACT Call Center (IMPACT) was established to improve the processing of resident concerns and requests. IMPACT is a single-point-of-contact for residents seeking information, requesting city services, or seeking an update on a previous request. The Proposed FY 2017 Budget enhances customer service by funding two additional IMPACT staff.

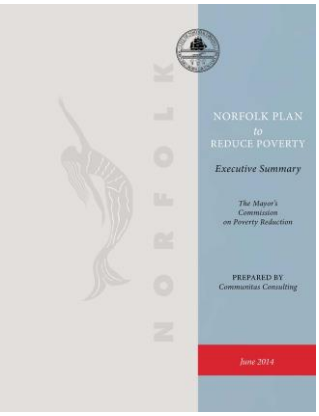
Vision 2100 is a long-range visioning plan that focuses on the future. This planning process engages residents by asking them what aspects of Norfolk make it great and a place that people want to live. Vision 2100 will allow us to continue building on the traits that make Norfolk special and preserve these aspects well into the future.

Community engagement has become a year-round conversation with residents. Participation in government creates ownership at all levels, empowers citizens, engages people in decision-making, and ensures transparency. Community engagement improves resource management and the ability of local authorities to solve problems, creates more inclusive and cohesive communities, and increases the number and quality of initiatives. We are committed to continually improve methods for residents to connect and define the city's future.

Below are some the projects that received valuable input from residents:

- Development of the annual budget;
- Capital improvement projects;

- Shoot Hoops Not Guns collaboration with Norfolk Police to provide an interaction between Norfolk Police and youth in the community;
- Vision 2100;



- Light It Up, Lock It Up, a collaboration between Norfolk Police Department, Neighborhood Development, ODU Police Department, ODU Student Police Patrol, and members of the civic league to pass out light bulbs and safety tips to residents on streets that have a high concentration of student renters;
- The Norfolk Plan to Reduce Poverty;
- The Norfolk Resilience Plan; and
- The Chesterfield Heights resilient improvements, funded by the NDRC grant award.

The Norfolk Plan to Reduce Poverty was presented to City Council in July 2014. Since that time, the administration has worked diligently to implement the plan. The $500,000 allocated in FY 2015 laid a solid foundation for achieving immediate progress, and the additional $1.0 million provided during FY 2016 allowed for growth. To date, the plan has:

- Impacted over 2,000 children by investing $350,000 in United for Children extended school year intervention program;
- Invested over $250,000 in the Newborn Screening and Referral Program and intensive home visiting services;
- Established Bank On Norfolk, which helps families build financial strength through connections to banking services, education, and mentoring;
- Contributed $25,000 to We Feed Norfolk, a community-based effort that is using technology to address issues related to poverty. The program was launched in July 2015 and has collected over 9,000 pounds of food for the Foodbank of Southeastern Virginia and the Eastern Shore; and
- Established a partnership with Purpose Built Communities to deconcentrate poverty.

Economic Development

Maximizing opportunities for economic development requires a vision and investing in opportunities that harness our strengths. Norfolk's strengths lie in its authentic urban environment, diverse transportation options, and talented workforce. The Proposed FY 2017 Budget builds on initiatives of the preceding years. We are engaging in strategic and proactive economic development to promote comprehensive urban revitalization, foster job growth, and economic opportunity for residents.

Nurturing the Entrepreneurial Ecosystem

With a vibrant downtown, more jobs per square mile, and the highest paying jobs in the region, Norfolk is the center for commerce in Hampton Roads. Attracting new businesses, large and small, adds jobs and further diversifies the local economy. To achieve this, we are successfully leveraging various strategies to create a thriving economic ecosystem.

Partnership Grants: One of the tools the city uses to entice businesses to Norfolk is a Performance-Based Economic Development Grant. While businesses are willing to invest their own money, a public-private partnership is sometimes necessary to bridge a gap in financing to make the project come to fruition.

Performance-Based Economic Development Grants enable growth of the city's tax base while creating employment opportunities and meeting the growing needs of residents. The projects considered for the grant must be able to achieve significant, direct, and measurable benefits to the city. Such projects would generate new tax revenue that would otherwise not exist and be available for other initiatives that improve the quality of life for all residents.

Norfolk structures Performance-Based Economic Development Grants in a way that protects the city from risk. Grants are generally funded annually based on a pre-determined revenue sharing ratio and paid in arrears after the revenue has been generated on-site and realized by the city. The total grant payments are capped at a pre-determined amount. In a typical grant scenario, the amount of the annual grant payment is wholly dependent on the project's performance. The grant is not payable until new revenue is received and is not given if the project fails to materialize or underperforms.

Targeting Technology: The Business, Professional, Occupational License (BPOL) tax exemption that City Council approved in FY 2016 is another catalyst for new businesses development. To further build on the exemption, I propose the creation of an Innovation Corridor along the Elizabeth River Trail from Old Dominion University (ODU) to Norfolk State University (NSU).

The targeted investment and bold innovation along the proposed corridor will attract and grow new and existing technology companies. Qualifying companies will be eligible for a multi-year Business, Professional and Occupational License tax (BPOL) exemption program. Technology focused innovation corridors have been established in five other Hampton Roads cities, including Chesapeake, Newport News, Suffolk, Franklin, and Poquoson. Establishing an Innovation Corridor in Norfolk will encourage development in the adjacent neighborhoods and capitalize on the growing technology industry.

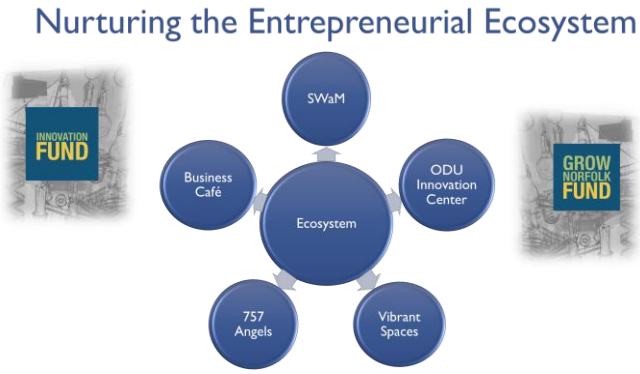
Small, Women, and Minority Owned Business (SWaM): Supporting SWaM businesses is an essential element of growing the economy and supporting local entrepreneurs. The city is expanding

opportunity for SWaM enterprises by focusing on outreach, business development, capacity-building, and business attraction that will grow and bring top talent to Norfolk.

The Proposed FY 2017 Budget provides for a permanent SWaM coordinator in the Department of Development. The budget further provides $300,000 in CDBG funds to promote SWaM business development.

Leveraging Resources: The Proposed FY 2017 Budget includes a five-cent increase in the cigarette tax with all proceeds supporting development-related activity. Norfolk's cigarette tax will increase from $0.80 per pack of 20 cigarettes to $0.85 per pack of 20 cigarettes, which will increase revenues by approximately $439,000 annually. This revenue will be dedicated to growing our economy through leveraging public-private partnerships.

The following are additional development opportunities geared toward business growth and development that we have engaged in:



- Created the Global Initiatives Fund in FY 2016 to bolster our ability to leverage existing assets and support global commerce through reduced export barriers for small to mid-size businesses;
- Launched ExporTech to support local manufacturers seeking to enter or expand into the global marketplace;
- Created networking opportunities through Community Business Cafés. The Business Cafés offer financial, marketing, management, and technical assistance to new and existing small businesses, and opportunities for small businesses to network with other locals and build relationships with our partners. To date, Business Cafés have been held in Park Place and Ocean View, and a third location is planned for 2016;
- Fostered early-stage investment for emerging companies through 757 Angels, a network of investors providing capital;
- Participated in Vibrant Spaces, an initiative launched by the Downtown Norfolk Council to attract businesses that help define the city's unique sense of place by offering financial support and reduced rent payments. Muddy Paws, a small, locally-owned business, was awarded a lease in a city-owned building on Granby; and
- Partnered with ODU to launch the ODU Innovation Center, which serves as an incubator space, business training asset, mentoring resource, and provides access to financing for startups.

Arts and Culture

Cultural arts organizations are a driver of economic development, and Norfolk continues to benefit from the concentration of cultural resources in the city. Arts and culture events are attracting thousands of people to Norfolk to enjoy the city's many amenities. In 2015, more than 500,000 people attended events at Town Point Park, over 25,000 attended events at Ocean View Beach Park, the MacArthur Memorial hosted 40,000 visitors, Nauticus hosted 250,000 guests, the Virginia Opera brought 27,500 people to the Harrison Opera House, and the Virginia Arts Festival attracted nearly 58,000 people to various festival events.

The thousands of people attending festivals, performances, and art exhibits are generating revenue for businesses and the city. The many events produced by Festevents generates $34.0 million in visitor spending, and the direct impact of the Virginia Arts Festival on the local economy is approximately $10.9 million.

The Proposed FY 2017 Budget solidifies the city's position as the arts and culture hub of the Commonwealth by shifting the Virginia Opera, Virginia Stage Company, and Virginia Symphony Orchestra as dedicated Outside Agencies, and distributing Consortium funds up front to Consortium members. Additionally, the General Fund decreases by $2.0 million for Consortium members, and is replaced with $2.0 million from the Public Amenities fund. The Public Amenities fund was designed to support projects that enhance visitor attractions and cultural facilities, and its support of these cultural organizations is consistent with the fund's goals and prior use.

Placemaking

Placemaking enhances the quality of life for residents and the unique character of the city. Input and support from businesses and residents is necessary for the development and success of placemaking efforts. We continue to build on the work of events, like Better Block, by developing unique and welcoming attractions throughout the city.

One aspect of this is the development of multi-purpose outdoor spaces in association with ongoing development projects. The $10.0 million anchor branch, Broad Creek Library, is in development and will provide the adjoining neighborhood, the almost-complete Richard Bowling Elementary at Broad Creek, and all Norfolk residents with a welcoming environment that creates a sense of community. Once complete, Broad Creek Library will provide visitors with access to thousands of books and research materials, and public access computers.

Additionally, the planning for the Southside Library has begun. The library will offer a full scope of services targeted toward visitors of all ages. The site plans for the library also include walking trails connecting the library to outdoor activity areas and the Southside Aquatic Center.

Finally, the proposed Innovation Corridor along the Elizabeth River Trail includes a placemaking component sponsored by the Greater Norfolk Corporation (GNC). GNC is generating financial support for trail enhancements that makes it a community asset. The city will partner with GNC to develop an approximately one mile prototype to showcase the potential for placemaking.

Strengthening the Workforce Development Pipeline

As the regional hub for both military personnel and millennials, we have a unique connection to the future workforce of Hampton Roads. Part of developing a viable and adaptable workforce is connecting in-demand professions with properly trained individuals. In order to address the gap between high school education and high-paying careers, we are committed to collaborating with institutions of higher education, Norfolk Public Schools, GNC, other localities, the U.S. Navy, and other public and private partners to develop a Center of Excellence (COE).

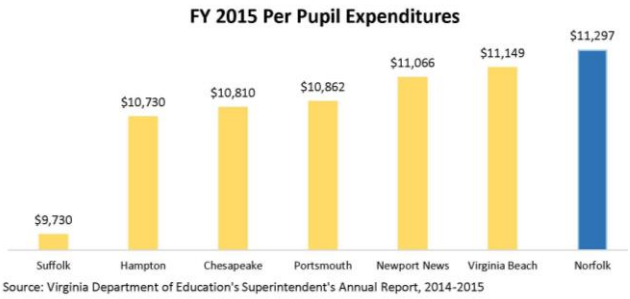
We have invested $1.5 million over the past three years to develop the COE, which will provide traditional career and technical education shaped to meet to the needs of regional employers. Broadly speaking, the COE will have an all-encompassing curriculum that provides job-specific training, access to state of the art technologies, and career preparation. This is not an endeavor we can undertake on our own. Collaboration, communication, and cooperation are necessary to ensure our students have the greatest opportunity for success no matter the career path they choose.

Norfolk Public Schools

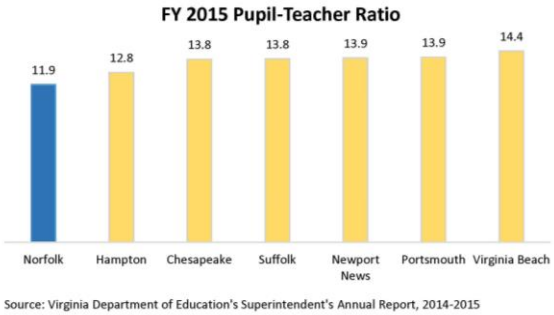
An exceptional education system is an integral component of a thriving city and can serve as an economic development driver. With almost 30,000 students, Norfolk Public Schools (NPS) represents the third largest school division of the Hampton Roads cities and the largest urban school division in the Commonwealth of Virginia. Ensuring our students have access to a world-class public education system requires consistent resources and support. Recognizing this, even during the recession, as the state reduced its funding, the city never wavered on its commitment and either increased or kept the support to NPS constant. In fact, since FY 2007, the money provided by the city to NPS increased by 20.4 percent even though the city's overall General Fund revenue growth was only 8.6 percent. To further support NPS operations, the city provides in-kind services, such as school resource officers and facility and ground maintenance. In FY 2017, the total proposed value of these services is $15.3 million. We continue this commitment with an additional $1.5 million in the Proposed FY 2017 Budget, to support the local share of a two percent salary increase as provided by the state, beginning December 2016.

The city's dedication is affirmed by the recently released Virginia Department of Education's Superintendent's Annual Report data. This report reflects that NPS spends the most per child and has the lowest pupil to teacher ratio in the region. Relative to Virginia Beach, the division with second

highest per pupil expenditures, NPS spends almost $150 more per child. Additionally, the pupil to teacher ratio at NPS of 12 students to one teacher (division wide) increases opportunities for individualized education.

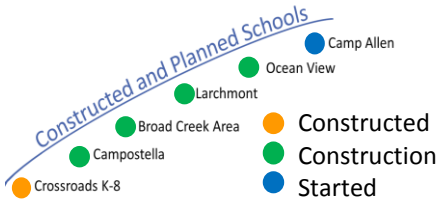


To compliment operating support, the city has contributed significantly to improving, maintaining, or constructing schools. In FY 2014, two cents of the approved four-cent real estate tax increase was dedicated in support of the CTI program.



Of the remaining two cents, one-cent was dedicated for NPS operating and the final one-cent was dedicated to city services. The CTI supports debt service payments on school construction, and purchase of one-time technology infrastructure improvements. With the revenue from the CTI, the city was able to accelerate the construction of five schools. In the last four years, $8.9 million has been dedicated to debt service for school construction and $4.7 million has been used by NPS for one-time purchases.

Over the last ten years, the city has provided $27.6 million through the Capital Improvement Plan to improve and maintain NPS facilities. The Budget adds $1.0 million to address school maintenance, bringing the proposed total to $3.0. To further enhance NPS' physical learning environment, the city will construct five new schools. Campostella STEM K-8 and Richard Bowling Elementary are projected to open in August 2016. The other three - Larchmont, Ocean View, and Camp Allen - are all estimated to be open by December 2018. Considering the previous construction of Blair Middle, Coleman Place Elementary, and Crossroads K-8, eight schools have been constructed since 2007. To fund these types of large-scale projects, the city must issue debt, which is typically repaid over 20 years. This means that while all five schools are projected to be open by December 2018, the city's debt will not be repaid until approximately year 2040. The city is committed to NPS, both in the short-term, through increased operating support, and the long-term, as shown in the construction of these new state-of-the-art schools.



Capital Improvement Plan (CIP)

The CIP allows us to make large investments in buildings and other infrastructure and pay for them over time. Initial payments may be low; however, as we increase and layer on additional spending, the payments continue to grow. The CIP may be funded with either cash, which is optimal, or financed, typically with bonds over 20 years. As a result of the Great Recession, recent CIPs have been

funded primarily with bond financing. The city's general CIP is guided by two City Council adopted measures of affordability. One measure is tied to the value of revenue-producing tax property citywide and the other measure is a proportionate share of the General Fund budget. The proposed FY 2017 CIP is within the two measures of affordability listed below. These self-imposed debt limits are as follows:

- Net debt as a percent of taxable property (not-to-exceed 3.5 percent) and
- Debt service as a percent of the General Fund budget (not-to-exceed 10 percent).

We have worked hard to manage our CIP to an affordable level. In FY 2017, I am proposing a moderate capital plan with a focus on maintenance and replacement over the next five years. While the CIP I am proposing is $11.1 million more than what we had planned last year, the increase stems from much needed maintenance projects that cannot be delayed further. The total CIP is $83 million, of which $29.4 million is for General Capital projects and $53.6 is for projects supported by self-supporting user fees, including Parking Facilities, Storm Water Utility, Wastewater Utility, and Water Utility projects.

This conservative approach is critical to managing debt levels that are in place due to significant and necessary capital projects approved in prior years. As another step to ensure affordability, a line of credit was established in FY 2015. Unlike financing debt through the sale of bonds, a line of credit allows the city to draw down only the funds needed for projected capital payments, rather than borrowing for an entire project – reducing interest costs. Without the use of the line of credit, fixed payments on bonds issued for capital projects, such as school construction, would have been $10.0 million more than what is proposed for FY 2017. Use of the line of credit has allowed the city to experience only a moderate increase over the prior year, since the projects will be financed over several years as they are being constructed and allow for gradual increases in debt service.

Taking Care of What We Have

Large capital projects, such as light rail, the consolidated courthouse, and the Slover Library are no longer the core of the CIP. The driver of CIP in the future is maintenance: proactively addressing issues related to aging infrastructure.

The financial challenges created by the recession forced us to make funding decisions that allowed the city to continue providing necessary services, but created a backlog of infrastructure repairs. The result was diminished maintenance for city facilities, purchase of technology and acquisition of vehicles – the effect of which is now being felt. With an average age of 46 years, the delayed maintenance for aging buildings has resulted in city facilities in need of roof replacements, new HVAC systems, electrical work, and other major repairs.

The largest investment General Capital in the Proposed FY 2017 CIP is the $5.4 million replacement of an aged and failing security system at the city jail. I am also proposing an additional $1.0 million over the planned $2.0 million for school maintenance, $1.0 million towards additional fire station maintenance, and $1.0 million for citywide infrastructure improvements.

The Proposed FY 2017 CIP marks a return to a normal and sustainable funding level of around $25.0 million annually. The capital projects of the last few years stretched CIP funding to two or three times the level proposed this fiscal year. I believe the Proposed FY 2017 CIP budget represents the best allocation of available resources to meet the community's capital needs and will continue to make a major commitment and investment in the city's future.

Shorelines and Waterways

Norfolk's beaches and waterways are a natural resource that add to the unique character of neighborhoods and serve as a catalyst for development. The planning, construction, and completion of these large projects have improved the overall quality of life in Norfolk. Projects funded in the Proposed FY 2017 CIP will support continued use, access, and enjoyment of these assets.

The Army Corps of Engineers will begin a $38.4 million beach nourishment project in 2016. The city's cost share of the project is $9.2 million and will be paid over 30 years, with the first payment due in FY 2017. This project will repair dunes, eradicate invasive dune plants, re-vegetate with native dune grasses, and provide sand fences along seven and a half miles of the Chesapeake Bay shoreline. Norfolk's primary sand dune system protects Chesapeake Bay properties from hurricane or Nor'easter storm surge, flooding, and wave damage. This work will maintain our waterfront assets for residents and visitors to continue to enjoy.

The Proposed FY 2017 CIP also includes $500,000 for waterway dredging and improvement projects. Dredging and the improvement of waterways encourages development initiatives and thereby an increase in the real estate tax base. Dredging is planned for areas such as West Belvedere and Regent Road.

Neighborhood Capital Improvements

I am committed to a continuous review of programs to identify ways to be more efficient and effective. As part of this commitment, a review of our return on investment from neighborhood improvement programs was completed to ensure we maximized the impact of dollars going directly into neighborhoods.

The city, through the Norfolk Redevelopment and Housing Authority (NRHA), used CIP funds for property acquisition and site improvements. Previously, a large percentage of the allocated funds were earmarked for administration and project support. The high administration and project delivery costs of this program were identified as an opportunity for reallocation. Creating capital project implementation capacity allows for dollar for dollar investment in neighborhoods.

In FY 2016, I proposed the transfer of CDBG funds from NRHA to the Department of Neighborhood Development, putting more money directly into our neighborhoods. Building on last year's action, the

Proposed FY 2017 CIP transitions funding for property acquisition and site improvements from NRHA to the city, ensuring maximum investment in neighborhood revitalization. As a result of this transition, NRHA will receive an additional $300,000 in General Fund operating support to continue its disposition program previously funded out of CIP. Beginning in FY 2017, $2.5 million will be committed for improvements in select emerging neighborhoods, which include the Arts District, Church Street, Five Points, Bay Oaks Park in Ocean View, and Park Place/35th Street. The five-year CIP provides a total of $12.5 million directed toward developing emerging neighborhoods.

Scheduled Project Completions

The city's investment in transportation infrastructure, including light rail, bus service, and bike-friendly roads, makes us the most multi-modal connected city in the Commonwealth. Investment in placemaking positioned neighborhoods to prosper while retaining their unique character. Investment in lifelong learning has resulted in state of the art school facilities that provide a quality learning space for students. Investment in libraries provides access to services for all residents, such as broadband internet, diverse book collections, and workforce development tools.

The Proposed FY 2017 Budget allocates almost $1.0 million to support the opening of new facilities. The newly constructed buildings will provide new resources for residents and enhance Norfolk's unique character. The projects include the following:

- The Virginia Zoo animal farm, opening June 2016;
- The Virginia Zoo reptile house, opening fall 2017; and
- The Boxing Center, opening winter 2017; and
- The second phase of the courthouse, opening spring 2017.

Conclusions and Next Steps

The Proposed FY 2017 Budget focuses on city priorities and continues the momentum and strategic planning of previous years. It builds on the cornerstone established five years ago when we committed to being a well-managed government and capitalizes on our dedication to this vision over the years. It supports Norfolk's resilience efforts through a focus on preparing the city for the next century and lifting all residents out of poverty through neighborhood revitalization and economic development initiatives.

We are a city of over 120 diverse neighborhoods. Moving forward, it is critical to continue to strengthen the fabric of our neighborhoods by promoting comprehensive revitalization, fostering job growth, and providing economic opportunities. In Norfolk, this means improving resident access to information and services, supporting community-building efforts through technology, and connecting the community through engagement. The Proposed FY 2017 Budget addresses this through continued investment in neighborhood and economic development and leveraging resources and partnerships.

Over the past few years, city departments have undergone major reengineering efforts and service delivery has been streamlined. This has resulted in a leaner organization that is able to provide service to residents more efficiently. In FY 2017, we will continue to improve controls and processes, and find further efficiencies within our organization while striving to provide the best possible service to residents.

The city's focus on streamlining has not and will not compromise the city's commitment to being an employer of choice. In FY 2015, I proposed ARMD, a three-year initiative to address the most critical issues impacting employee recruitment and retention. The Proposed FY 2017 Budget represents the final phase of this initiative, which has addressed pay inequities, improved employee compensation now and in the retirement years, and has made employee compensation competitive among the Hampton Roads cities. While rollout of the ARMD initiative may be over, we will re-examine and review periodically to ensure that we continue to provide competitive pay and support a compensation plan that attracts and retains the talented employees that keeps Norfolk moving forward. We will also continue to create an employer environment that motivates and develops employees.

The Proposed FY 2017 Budget also includes $500,000 in undesignated funds. I recommend this be used for one-time uses to maintain a budget that is structurally balanced.

In closing, this budget represents the hard work of the past five years and the commitment to being a well-managed government. It supports the work that lies ahead and demonstrates our commitment to meeting the needs of residents and being the city of the future. Together, we have paved the way to continue our financial success and positioned Norfolk to thrive well into the future.

Sincerely,

Marcus D. Jones
City Manager

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Acknowledgments

The preparation of the city's annual resource allocation plan requires a tremendous amount of hard work and dedication on the part of many people. Developing expenditures and revenue information requires varying sources of data and multiple perspectives.

The FY 2017 Budget includes the assistance of many who deserve acknowledgment and appreciation:

- Residents of the city and civic leagues, particularly those who attended community outreach meetings
- Members of the city's Employee Relations Committee
- City employees who attended outreach meetings and submitted suggestions for improvement
- Executive budget team
- Department and office directors
- Members of the business community
- Council Appointees
- Constitutional Officers

Special recognition and gratitude to the Office of Budget and Strategic Planning staff who worked to prepare this year's budget.

Office of Budget and Strategic Planning Staff
Sabrina Joy-Hogg, Deputy City Manager and Acting Budget Director

Budget, Grants, and Policy Team
Mariam Abdelhamid, Paris Colburn, Jessica Dennis, Eundene Falks, Patricia Harrison, Craig Lee, Julia Martin, Shamenia Nelson-Ricks, Gregory Patrick, Laura Rath, Cecelia Rieb, Anne Marie Strano, Emily Uselton, Kimberly Williams, Steven Wright, and Joseph Younkin

City Manager,

DISTINGUISHED BUDGET PRESENTATION AWARD

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Norfolk

Virginia

For the Fiscal Year Beginning

July 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the City of Norfolk, Virginia for its annual budget for the fiscal year beginning July 1, 2015. The review process by GFOA has not commenced for the annual budget for the fiscal year beginning July 1, 2016.

This prestigious award is presented to governmental entities that prepare budget documents which exhibit the highest qualities in meeting or exceeding both the guidelines established by the National Advisory Council on State and Local Budgeting and GFOA's standards of best practices. Documents submitted for the Budget Awards Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting. The award is only valid for a period of one year only. The FY 2017 budget continues to conform to program requirements and will be submitted to GFOA for eligibility.

City of Norfolk Government

Norfolk City Council is the legislative body of the city government. It is authorized to exercise all the powers conferred upon the city by the Commonwealth of Virginia in the state constitution, state laws and the Charter of the City of Norfolk.

City Council is composed of eight members. Seven members are elected through a ward system, and the Mayor is elected at large by the residents of Norfolk. These members elect a vice president (Vice Mayor) of the Council. For further information on the duties, powers and meetings of the Council, call the Office of the City Clerk 757-664-4253.

The City Council meets the second and fourth Tuesday of each month in the Council Chambers in Norfolk City Hall. There are two formal meetings a month held at 7:00 p.m.

The City of Norfolk operates under a Council-Manager form of government whereby the Council appoints a chief executive, the City Manager, Marcus D. Jones. The Council also appoints a City Attorney, Bernard A. Pishko; City Auditor, John Sanderlin; City Clerk, R. Breckenridge Daughtrey; and City Real Estate Assessor, Albert W. Marchand.

Norfolk City Council Members and City Manager

Mayor
Paul D. Fraim

Vice Mayor
Angelia Williams Graves
Super Ward 7

Council Member
Andrew A. Protogyrou
Ward 1

Council Member
Dr. Theresa W. Whibley
Ward 2

Council Member
Mamie Johnson
Ward 3

Council Member
Paul R. Riddick
Ward 4

Council Member
Thomas R. Smigiel
Ward 5

Council Member
Barclay C. Winn
Super Ward 6

City Manager
Marcus D. Jones

City of Norfolk Ward Map

City Council's Vision for Norfolk

Vision

Norfolk is an amazing place, a vibrant and historic port city where culturally diverse citizens, the military, and business are creating the most dynamic and authentic urban waterfront community in America.

Priorities

- **Accessibility, Mobility and Connectivity** - A comprehensive network of accessibility and information gathering options, addressing all traditional transportation modes as well as new technologies, which connect people, goods and information.

- **Economic Vitality and Workforce Development** - A growing, competitive and diversified economy that enhances the quality of life for residents through a wide range of housing, educational, cultural, shopping, business and employment opportunities.

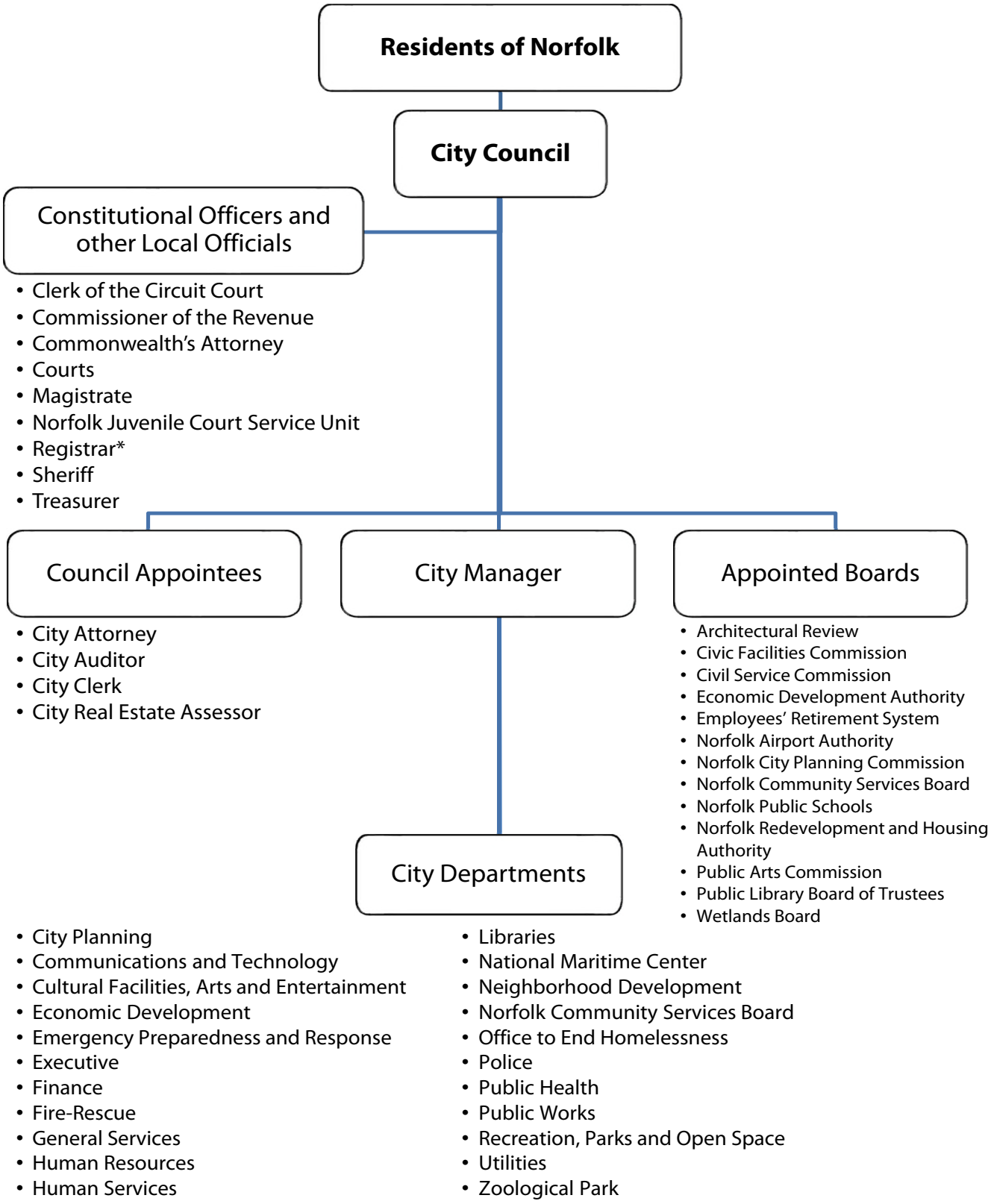
- **Environmental Sustainability** - A premier waterfront community that creates a positive, regenerative effect on its environment, avoids detrimental environmental impacts and thrives economically and culturally.

- **Lifelong Learning** - Residents of all ages enjoy a culture of learning that enables them to reach their full potential, achieve personal goals, and through their knowledge, skills, abilities, and talents become well equipped to support a prosperous economy.

- **Safe, Healthy and Inclusive Communities** - Residents of diverse backgrounds and interests feel encouraged and empowered to assist in the development of safe and healthy neighborhoods thereby fostering a culture of leadership, pride and well-being that advances Norfolk's brand as a desirable and enjoyable place to live, learn, work and play.

- **Well-Managed Government** - A data-driven organization that provides effective and efficient programs and services that are responsive, accountable, inclusive and customer focused.

City of Norfolk Organizational Chart



*Appointed by State Board of Elections

Reader's Guide to the Budget

Purpose

The budget is an instrument that sets policy and summarizes public service programs provided by the city government and how the programs are funded. It is the annual plan for coordinating revenues and expenditures. The budget presented covers the period of **July 1, 2016 to June 30, 2017**. The amounts for FY 2017 are approved through the appropriation ordinance adopted by the City Council. The Approved Budget document may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Budget Overview

This section provides information on budget and financial policies, fund structure, basis of accounting, budget process, budget calendar, and the city's organizational chart. The section also includes revenue and expenditure summaries, discussion of major revenue sources, indebtedness, and personnel staffing. Historical revenue and expenditure amounts for FY 2015 provided in the summaries do not include designations and financial adjustments posted after June 30, 2015. FY 2017 approved amounts may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Citywide Priorities

This section provides an overview of the six citywide priorities and selected performance measures for each of the priorities highlighting the work of city departments.

General Fund Revenue and Expenditure

The General Fund is used to account for primary government services. A summary of historical and estimated revenue from each source is provided for the General Fund. For each department within the General Fund, a summary of historical and approved expenditures is provided. Historical revenue and expenditure amounts for FY 2015 do not include designations and financial adjustments posted after June 30, 2015. FY 2017 approved amounts may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Department Budgets

This section provides detailed information on the budget of each department within the General Fund. A brief description of the proposed FY 2017 budget actions and their impact on the budget and full-time equivalent (FTE) personnel are provided in this section. Historical revenue and expenditure amounts for FY 2014 and FY 2015 provided in the department summaries do not include designations and financial adjustments posted after June 30 of each fiscal year. FY 2017 approved amounts may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Public School Education

This section provides information on the approved appropriation for Norfolk Public Schools. FY 2017 approved amounts may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Special Revenue, Enterprise, and Internal Service Funds

These sections provide detailed information on the approved budget of the city's Special Revenue, Enterprise and Internal Service Funds. A brief description of the proposed FY 2017 budget actions and their impact on the budget and full-time equivalent (FTE) personnel are provided in this section. Historical revenues and expenditures for FY 2014 and FY 2015 provided in the department summaries do not include designations and financial adjustments posted after June 30 of each fiscal year. FY 2017 approved amounts may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Capital Improvement Plan

This section provides detailed budget information on the five-year Capital Improvement Plan. However, the only year of the plan that is certain is the current budget year, FY 2017, with future years reflecting planning and not commitment. FY 2017 approved amounts may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Annual Plan - U.S. Department of Housing and Urban Development (HUD) Entitlement Grant Program

This section contains the Annual Plan for the Community Development Block Grant, HOME Investment Partnerships Program, and Emergency Solutions Grant Program. The Annual Plan identifies the annual funding of the city's priority community development projects and activities as outlined in the five-year Consolidated Plan. FY 2017 approved amounts may include technical changes made after the City Manager's presentation of the Proposed Budget to the City Council.

Miscellaneous Statistical Information

This section provides statistical and general information about the city such as an overview of the organization, services and selected functions.

Glossary and Index

The glossary provides definitions of budget-related terminology. The index contains an alphabetical reference of information contained in the document.

Financial Policies

Operating Budget

The operating budget for the city is developed pursuant to Section 67 of the Charter of the City of Norfolk, Virginia. In accordance with the City Charter, the City Manager submits to the City Council, no less than 60 days before the end of the fiscal year, a proposed operating budget for the ensuing fiscal year. The operating budget includes expenditure amounts based on detailed estimates furnished by departments and other divisions of the city government. The budget is presented in a manner that identifies appropriations, taxes, and estimated revenues with comparative statements. The budget is prepared by fund and department.

Following the formal presentation of the Proposed Budget by the City Manager, a public hearing is conducted to provide an opportunity for the public to make comments on the Proposed operating budget and any proposed tax and fee adjustments, including any proposed changes to the real estate tax rate. The public hearing for the operating budget is held at least seven days prior to City Council's approval of the budget. City Council is required to approve a final operating budget no later than 30 days before the end of the current fiscal year.

The formal approval of the budget is executed by the adoption of the ordinance delineating appropriations by fund. Additional budget controls are exercised administratively on an appropriation unit basis over combinations of object categories (account groups: personnel services, materials, supplies and repairs, contractual services, equipment, public assistance, department specific appropriation and debt service), as well as on a line item basis over individual objects (budget accounts). Departments may transfer funds within a departmental budget with approval from the City Manager or the Office of Budget and Strategic Planning.

The City Manager or designee is authorized to transfer from any department, fund or activity which has an excess of funds appropriated for its use to any department, activity or fund all or any part of such excess. Basic policies and guidelines for the development of the city's annual budget are provided below.

The administration is committed to high standards of financial management and currently maintains and follows financial practices and guidelines. In July 2013, City Council passed a resolution to update the city's policies on reserves and use of surplus funds, commit to achieving a structurally balanced budget, formalize the city's long-standing self-imposed debt affordability measures, and provide for the long-term financial sustainability and viability of the Parking Facilities Fund. Financial policies demonstrate commitment to consistent financial practices, operational efficiencies and best practices; preserve fiscal integrity; and improve fiscal stability to promote long-term fiscal sustainability. Sound financial management practices contribute to maintaining high city bond ratings and lower borrowing costs for capital projects.

General Fund Balance Reserves

Annually, after the close of the fiscal year, the Department of Finance produces a schedule of all fund variances to the final budget. Analysis of compliance with the city's reserve requirements and a plan for the use of excess funds is included in a year-end report submitted by the City Manager to the City Council. The City Manager may recommend policy or procedure changes based upon circumstances identified in the year-end analysis.

The purpose of a reserve is to act as the city's "savings" account to meet emergency and unanticipated needs without jeopardizing the ongoing provision of city services. The establishment and maintenance of general operating reserves is considered one of the most effective management practices a local government can employ. Reserves help to cushion against annual cash flow disruptions. The appropriate size of reserves depends on

variability of revenues and expenditures and the city's cash flow needs. The General Fund reserve policy and practices include the following.

Unassigned General Fund Balance ('five percent reserve") **–** The city maintains an unassigned General Fund balance equal to at least five percent of the annual General Fund budget to help mitigate current and future risks and provide temporary funding for unforeseen emergency or catastrophic needs. The FY 2016 minimum of $40,943,956 is based on the FY 2016 General Fund Amended Budget of $818,879,121. The projected level of $42,332,591 currently exceeds five percent of the budget due to additional funds set aside by City Council in FY 2011 and FY 2012 to strengthen reserves. In FY 2011, City Council elected not to reduce the unassigned General Fund balance by approximately$2.0 million, maintaining the balance at the FY 2010 level of $41,559,263. In FY 2012, during the FY 2013 budget work session, City Council allocated $773,328 of the FY 2011 fund balance, raising the unassigned General Fund balance to $42,332,591.

Risk Management Reserve **–** The city is self-insured for many of its risk exposures. The city has targeted a reserve equal to the three year average of self-insured liability and property claim expenses plus $4.0 million dollars for a catastrophic reserve including extraordinary workers' compensation expenses, not to exceed $5.0 million and no less than $3.0 million. The Risk Management Reserve was reduced to $840,162 from $5,740,162 in FY 2008 to settle a major general liability claim. Since then, the City Council set aside funds mainly from year-end surpluses in FY 2010 ($1,058,409), FY 2012 ($1,101,429), FY 2015 ($1.0 million), and FY 2016 ($1.0 million), which has brought the reserve to its financial policy goal of $5.0 million.

Economic Downturn Reserve **–** The city strives to meet the goal set at 2.5 percent of the three year average of real estate tax revenues, not to exceed $5.0 million and no less than $3.0 million to abate the impact of short-term economic downturns on the overall budget and to build adequate reserves to transition the impact of extreme swings in revenues and/or expenditures such as the retirement contribution, health insurance or unforeseen emergencies. During FY 2016, the reserve reached its financial policy goal of $5.0 million with funds set aside by City Council in FY 2012, FY 2015, and FY 2016. In FY 2012, during the FY 2013 budget work session, City Council allocated $1.0 million of the FY 2011 fund balance for the reserve, raising the reserve from $2.0 million to $3.0 million. In FY 2015, City Council allocated $1.0 million of the FY 2014 surplus, raising the reserve to $4.0 million. City Council did the same in FY 2016, bringing the reserve to its financial policy goal of $5.0 million.

Reserve	Purpose	FY 2016 Minimum	FY 2016 Projected
Unassigned General Fund Balance ("five percent reserve")	Good management practices recommend accumulation of undesignated funds to mitigate current and future risks and provide temporary funding of unforeseen emergency or catastrophic needs.	$40,943,956	$42,332,591
Risk Management Reserve	Because the city is self-insured, a reserve is needed in the event of major unanticipated workers compensation or general liability claims.	$3 - $5 million	$5,000,000
Economic Downturn Reserve	To abate the impact of short-term economic downturns on the overall budget and to build adequate reserves to transition the impact of extreme swings in revenues and/or expenditures. The reserve is intended to be used as needed, whereas the "five percent reserve" is to be used for catastrophic needs or unforeseen emergencies.	$3 - $5 million	$5,000,000

Amounts in the table exclude reserves for encumbrances and other legally restricted reserves and designations. The "five percent reserve" and the Economic Downturn Reserve are required by governmental accounting standards ("GASB 54") to be classified in the unassigned General Fund balance and were formerly in the unreserved undesignated fund balance and unreserved designated fund balance, respectively.

Definition and Use of Surpluses

The budget prioritizes and plans the use of financial revenues based on the best data available at the time the budget is approved. Appropriated revenues and expenditures are projections and are not exact. Through strict monitoring, funds in excess of the budget projections may occur and are referred to as surpluses. In terms of budget forecasts, the Commonwealth of Virginia has a goal or benchmark to be within two percent of the projected budget.

The financial policies adopted by City Council in July 2013 states that once the city has achieved a structurally balanced budget, then in subsequent fiscal years when the final approved General Fund undesignated and unassigned surplus is at least 0.5 percent of the General Fund budget, one half of the surplus (up to $2.0 million) shall be used for the following items listed in order of priority or as recommended by the City Manager:

- Cash Payments for Capital Improvement Projects - excess surplus amounts may be used to provide cash funding for capital projects to reduce the future debt burden upon the city;

- Retirement of Existing Debt - excess surplus amounts may be used to pay principal on existing revenue bonds or any other existing debt; or

- Funding Reserves - the city will add to each of its reserves in the following order of priority until each reserve has reached its respective goal: (1) General Fund Unassigned Balance ("five percent reserve"); (2) Risk Management Reserve; and (3) Economic Downturn Reserve.

To the same extent the city attempts to match one-time revenues with one-time expenses, a one-time surplus will also be matched with one-time expenditures. Although the unprecedented economic times and stagnant growth have lead the city to generate and use one-time budget savings to help balance the budget in prior years, the city has significantly reduced its use of one-time resources in balancing the budget.

Debt Management

The Commonwealth of Virginia imposes a legal limit of ten percent of the assessed valuation of taxable real property as a ceiling on the amount of general obligation borrowings. Based on the assessed valuation of taxable real property, the city's legal debt limit (debt the city can issue) is approximately $1.9 billion (see City Indebtedness section). While this is the legal limitation, the city is well aware it cannot take on expenditures beyond its fiscal means of affordability. Therefore, the city strives to adhere to the following self-imposed debt ratios to guide the development of the Capital Improvement Plan:

- Debt Service as a percent of the General Fund budget should not exceed ten percent; and,

- Net debt as a percent of taxable property should not exceed 3.5 percent.

In determining general obligation debt limitations, certain classes of indebtedness may be excluded, such as: revenue anticipation notes maturing in one year or less; general obligation bonds payable from a specified revenue producing undertaking so long as the undertaking is self-supporting; capital leases; and revenue bonds. The city's Water enterprise operations is solely funded through self-supporting revenue bonds, while its Wastewater operations are a combination of self-supporting, general obligation, and revenue bonds. The city's operation for Parking and Storm Water bonded debt is self-supporting utilizing general obligation bonds.

The city has never defaulted on the payment of either principal or interest on any debt.

Capital Improvement Plan

The city uses several guiding principles and best practices to manage the Capital Improvement Plan (CIP). The principles (see Guiding Principles under CIP section) governing the CIP are intricately intertwined with the debt management practices mentioned in the previous section. Using the principles as a foundation, the CIP is developed to promote capital infrastructure to support the City Council's priorities by establishing a five-year capital implementation plan. In formulating this long range plan, input is solicited from various parties such as city departments, City Council, residents and businesses.

The CIP includes projects that meet the following City Council priority areas (see CIP section for definitions):

- Accessibility, Mobility and Connectivity
- Economic Vitality and Workforce Development
- Environmental Sustainability
- Lifelong Learning
- Safe, Healthy and Inclusive Communities
- Well-Managed Government

In addition, approved projects must meet the minimum cost threshold of $50,000 and should extend the useful life of an existing asset or create an asset with a useful life that exceeds the life of the debt instrument used to finance the project.

Various sources of funding are used to fund the CIP. These sources include General Fund supported debt and nongeneral fund supported debt, such as, revenue bonds or cash contributions from various resources. For general capital improvements, the city strives to achieve an annual pay-as-you-go cash contribution. The city is committed to achieving this goal and to becoming a well-managed government.

Fund Structure

The city uses fund accounting to ensure and demonstrate compliance with finance-related legal and regulatory requirements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The city's funds can be divided into four categories: governmental funds, proprietary funds, component unit funds and fiduciary funds.

Governmental Funds

Governmental funds consist of the General Fund, Special Revenue Funds, Capital Projects Fund, Debt Service Funds and Permanent Fund (see following section). Most governmental functions of the city are financed through these funds. Governmental funds are supported by taxes and intergovernmental revenues. The modified accrual basis of accounting is used for the budgets of all governmental funds.

General Fund
The general operating fund of the city accounts for all financial transactions of the general government, except those required to be accounted for in another fund. The General Fund accounts for the normal recurring activities of the city such as but not limited to police, public education (K-12), public works, and general government. These activities are funded by revenue sources such as: general property taxes; other local taxes; permits, fees and licenses; fines and forfeitures; use of money and property; charges for services; recovered costs; and non-categorical aid, shared expenses and categorical aid from the Commonwealth and Federal Government.

Special Revenue Funds
The Special Revenue Funds account for the proceeds of specific revenue resources restricted or committed to expenditure for specific purposes (other than expendable trusts or major capital projects) and require separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Fund
The Capital Projects Fund accounts for the acquisition, construction or renovation of major capital facilities of the city and the School Board.

Proprietary Funds

Proprietary funds consist of Enterprise Funds and Internal Service Funds. Enterprise Funds account for operations similar to those found in the private sector and include Water Utility, Wastewater Utility, and Parking Facilities Funds. Internal Service Funds account for the financing of goods and services provided by one department to other departments in the city on a cost reimbursement basis and include Healthcare and Fleet Management Funds. The Proprietary Fund measurement focus is based upon determination of net income, financial position and changes in financial position. The full accrual basis of accounting is used to budget for all Proprietary Funds.

Enterprise Funds

Water Utility Fund
This fund accounts for the operations of the city-owned water system. The cost of providing services is financed or recovered through user charges to customers, which include Norfolk residents, commercial customers, the U.S. Navy, and other regional localities and authorities.

WASTEWATER UTILITY FUND

This fund accounts for the operation of the city-owned wastewater (sewer) system. The cost of providing services is financed or recovered through user charges to Norfolk residential and commercial customers.

PARKING FACILITIES FUND

This fund accounts for the operation of city-owned parking facilities (garages, lots, and on-street meters). The cost of providing services is financed or recovered through user charges for long-term and short-term customer use and fines for parking violations.

Internal Service Funds

HEALTHCARE FUND

This fund accounts for the financing of medical coverage provided to employees of the Norfolk Healthcare Consortium through a city-administered health insurance plan. The Consortium includes the City of Norfolk, Norfolk Public Schools, and the Norfolk Redevelopment and Housing Authority. Employees and the Consortium share the costs of the health insurance premium. Medical claims, administrative costs, wellness program costs, fees related to the Affordable Care Act, and benefit consultant expenses are paid by the Healthcare Fund.

FLEET MANAGEMENT FUND

Fleet Management provides maintenance, repair and service for the city fleet of vehicles, heavy equipment, and miscellaneous machinery on a cost reimbursement basis.

COMPONENT UNIT FUNDS

Education

The city's total budget includes the funds of the Norfolk Public Schools. The primary sources of revenue, exclusive of the transfer from the city's General Fund, are basic school aid and sales tax revenues from the state and educational program grants. Major expenditures are for instructional salaries and schools' facility operating costs.

School Operating Fund

The School Operating Fund is the General Fund of the School Board. It accounts all financial resources except those required to be accounted for in another fund, such as, School Nutrition Services.

School Grants

This fund accounts for revenues and expenditures for federal, state and other grants for educational programs.

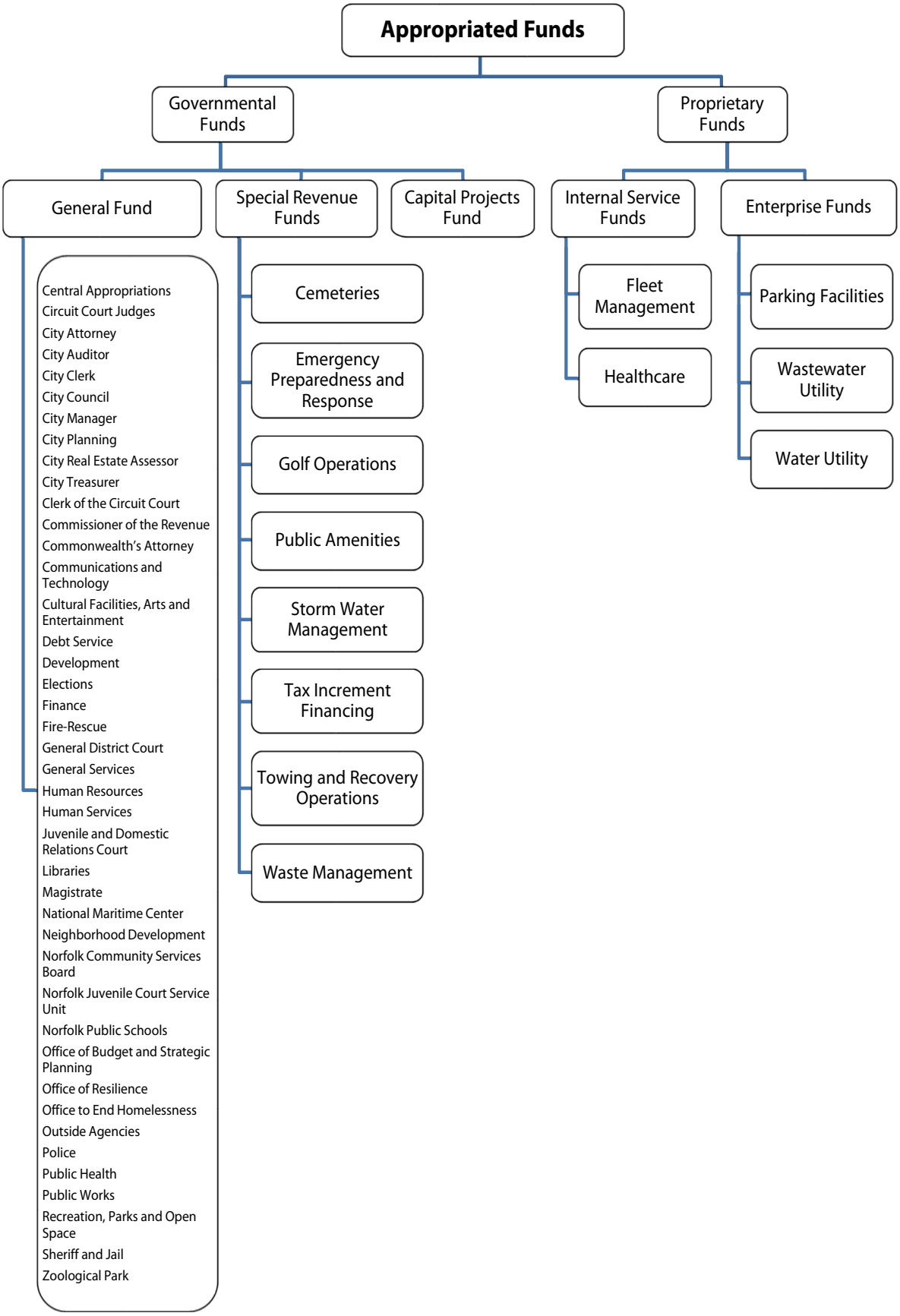
School Nutrition Services

This fund supports the school breakfast and lunch program. School Nutrition Services is a self-funded non-reverting operation supported through cafeteria sales and federal and state reimbursements.

FIDUCIARY FUNDS AND PERMANENT FUND

Fiduciary Funds are used to account for resources held for the benefit of parties outside the city and include the city's Pension Trust Fund and the Commonwealth of Virginia Agency and Other Agency Funds. The Permanent Fund is used to report resources legally restricted to the extent that only earnings (not principal) may be used to support the program and includes the fund for Cemetery Perpetual and Endowed Care. Fiduciary and Permanent Funds are not included in the city's budget, since the resources in such funds are not available to support the city's own programs. Fiduciary Fund statements are presented separately within the city's Comprehensive Annual Financial Report.

City of Norfolk Fund Structure



Basis of Budgeting and Accounting

Basis of Budgeting

The budgets of governmental fund types (General Fund, Special Revenue and Capital Projects Funds) of the city are generally prepared on the modified accrual basis of accounting. The accrual basis of accounting is generally used to budget for the Enterprise Funds and Internal Service Funds except for depreciation, debt principal payments, capital outlay and contractual commitments (see Basis of Accounting below).

For the modified accrual basis, expenditures are recorded as expenditures when the related fund liability is incurred (other than interest on general long-term liabilities). For budgetary purposes, purchase orders issued and other contractual commitments are considered expenditures when executed. Revenues are recorded when they are measurable and available. The accrual basis recognizes expenses when the liability is incurred regardless of the related cash flows. Revenues, however, are recognized when earned. The accrual methodology is based upon known present and future expenses and revenues and not upon cash spent or received.

The level of control at which expenditures may not exceed the budget is at the department level for the General Fund and fund level for all other funds. The City Manager or designee is authorized to transfer from any department, fund or activity with excess funds appropriated to any department, activity or fund all or any part of such excess appropriation. Appropriations lapse at the end of the fiscal year, except appropriations that are designated or are for the Grants (Special Revenue) and Capital Improvement Programs, which are carried forward until the designation, grant or project is completed or terminated.

Basis of Accounting

The Comprehensive Annual Financial Report (CAFR) presents the status of the city's finances in accordance with Generally Accepted Accounting Principles (GAAP). In most cases this conforms to how the city prepares its budget. Exceptions are as follows:

Compensated absences are recorded as earned by employees (GAAP basis), as opposed to being expended when paid (Budget basis);

Principal payments on long-term debt within the Proprietary Funds reduce the amount of debt remaining on a GAAP basis as opposed to being expended on a Budget basis;

Capital Outlay within the Proprietary Funds is recorded as assets on a GAAP basis and expended on a Budget basis;

Depreciation expenses are recorded on a GAAP basis only; and,

Recording unfulfilled purchase orders and contractual obligations as expenditures in the year executed.

In addition to the fund financial statements, government-wide financial statements are prepared on the accrual basis of accounting. In government-wide financial statements, certain funds are grouped together for reporting purposes.

Budget Process

Formulation of the City Manager's Budget

The City Charter requires the City Manager to prepare and submit to the City Council an annual budget.

The annual budget process commences each fall. The budget calendar is developed which establishes the timeline for the process, dates for submission of departmental requests, budget work sessions and public hearings leading to final adoption of the budget.

Department requests are based on budget instructions. Each request must relate to the organization's program objectives and the priorities of the city. The requests are received and compiled by the budget staff. Due to revenue constraints, departments are generally encouraged to develop proposals to realign or reduce expenditures rather than seek additional funding.

An operating budget is adopted each fiscal year for the General Fund, Water Utility Fund, Wastewater Utility Fund, Parking Facilities Fund, Storm Water Management Fund, Special Revenue Funds (Cemeteries, Emergency Preparedness and Response, Golf Operations, Public Amenities, Tax Increment Financing, Towing and Recovery Operations, and Waste Management), and Internal Service Funds (Fleet Management and Healthcare). Budgets are also individually adopted within the Special Revenue (Grants) Fund. Ordinances are generally approved when a grant to the city has been awarded.

All funds are under formal budget control, the most significant of which is the General Fund. No less than sixty days before the end of the current fiscal year, the City Manager submits to the City Council a proposed operating budget for the next fiscal year. The Operating Budget includes recommended expenditures and the means to finance them. The Approved Budget may include technical changes made after the City Manager's presentation of the Proposed Budget to City Council.

City Council's Authorization and Appropriation

After general distribution of the Proposed operating budget, one or more public hearings may be conducted to obtain comments and recommendations from the public. No less than thirty days before the end of the fiscal year, the City Council shall pass an annual appropriation ordinance which shall be based on the budget document submitted by the City Manager and subsequent changes made by the City Council. The annual operating budget ordinance appropriates funding for use by departments for salaries, benefits and positions, and nonpersonnel as set forth in the detailed budget document. Amounts appropriated to each department are intended to be expended for the purposes designated by object group categories including: personnel services; materials, supplies and repairs; general operations and fixed charges; equipment; public assistance; department specific appropriation; and debt service.

City Manager's Authorization

In accordance with the City Charter, at least sixty days before the end of each fiscal year, the City Manager shall prepare and submit to the City Council an annual budget for the ensuing fiscal year. The budget shall be balanced at all times. The total amount of appropriations shall not exceed the estimated revenues of the city.

In a given year, the City Manager or designee is authorized to transfer from any department, fund or activity with excess funds appropriated to any department, fund or activity as necessary.

Budget Implementation

Once the budget is adopted, it is effective on July 1 and becomes the legal basis for the programs and services of each department of the city during the fiscal year. No department or other agency of the city government may spend in excess of approved and appropriated amounts, unless authorized by budget transfer as approved by the City Manager or designee. Financial and programmatic monitoring of departmental activities to ensure conformity with the budget takes place throughout the year. The budget can be found in the libraries, on the city website, or may be obtained from the Office of Budget and Strategic Planning. The City Manager is responsible for maintaining a balanced budget at all times. In the event a gap is identified between revenues and expenditures, the City Manager will take actions necessary to rebalance the budget. Budget amendments may be made by City Council to meet the changing needs of the city. The means by which City Council may amend the budget include, but are not limited to, appropriation of additional funds and decreasing the amount of appropriated funds.

Capital Improvement Plan and Consolidated Plan

City Council also adopts a Capital Improvement Plan Budget and a Consolidated Plan Budget. As in the case of the Operating Budget, these budgets are submitted by the City Manager, public hearings are held, and the budgets are legislatively enacted through adoption of ordinances.

Appropriations for project funds and grant funds do not lapse at year end, but continue until the purpose of the appropriation has been fulfilled or terminated. Amendments to these budgets may be affected by City Council action. The level of budget control is on a project basis with additional administrative controls being exercised.

Budget Principles and Policies

These include the following:

- Provisions to strive for a structurally balanced budget whereby ongoing expenditures are supported by ongoing revenues;
- Preparation of a mid-year budget update, reporting projected revenues and expenditures for the entire fiscal year and receipt of unanticipated revenues and other major changes to the adopted budget;
- Preparation of a five-year forecast, which serves as the basis for the City Manager's annual recommended budget; and
- Requirement that the City Manager prepare a Five-Year Capital Improvement Plan that incorporates operating costs and is stated in "year of expenditure dollars."

BUDGET CALENDAR

Date	Responsible Party	Description	Legal Requirement
August 6, 2015	Budget and Strategic Planning Communications and Technology Neighborhood Development Executive Staff City Departments	City Manager Listening Tour	N/A
October - November 2015	City Departments	Departments Submit Operating and Capital Improvement Budget Requests	N/A
November - December 2015	Budget and Strategic Planning Executive Staff City Departments	Department Meetings with Budget Staff and Executive Budget Team	N/A
January - February 2016	Communications and Technology Planning Neighborhood Development Executive Staff	Resident and community meetings to inform budget priorities and Vision 2100, 100 Resilient Cities, and Neighbors Building Neighborhoods initiatives	N/A
April 1, 2016	Norfolk Public Schools	School Board Approved Operating Budget to City Council	Code of Virginia 15.2-2503
April 5, 2016	City Clerk	Public Hearing Notice of the Real Estate Tax Increase (due to increased reassessment)	Code of Virginia 58.1-3321
April 12, 2016	City Manager	City Manager Presentation of Proposed Budget to City Council	City of Norfolk Charter Sec. 67
April 20, 2016	City Clerk	Public Hearing Notice of the Operating and Capital Improvement Plan Budgets, and HUD Grants (CDBG, ESG and HOME)	Code of Virginia 15.2-2506, 58.1-3007 U.S. Department of Housing and Urban Development (HUD)
April 26, 2016	City Council	1st City Council Work Session	N/A
May 4, 2016	City Council	Public Hearings on the Operating, Capital Improvement Plan, and HUD Grant (CDBG, ESG and HOME) Budgets	Code of Virginia 15.2-2506
May 5, 2016	City Council	Public Hearing on the Real Estate Tax Increase (due to increased reassessment)	Code of Virginia 58.1-3321
May 10, 2016	City Council	2nd City Council Work Session	N/A
May 24, 2016	City Council	3rd City Council Work Session City Council Budget Adoption	City of Norfolk Charter Sec. 68; Code of Virginia 15.2-2503

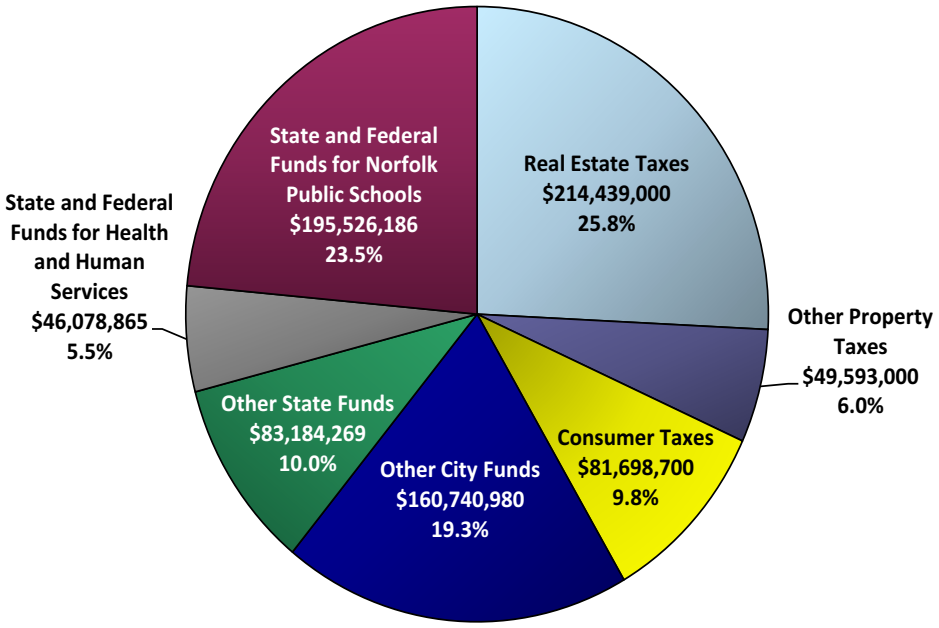
General Fund Budget Overview

Proposed FY 2017 General Fund Revenues $831,261,000

Funding for Norfolk comes from a variety of sources as shown at right.

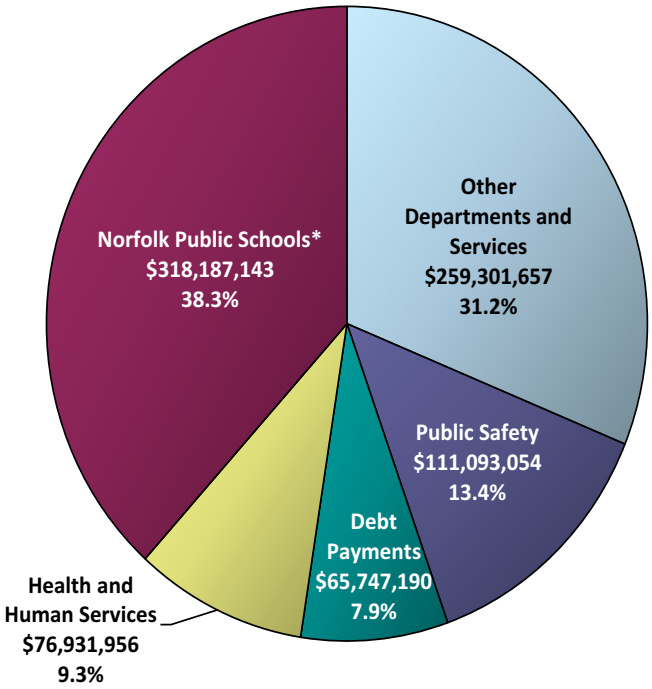
"Other City Funds" include local taxes, fees, charges, fines, rent and interest.

"Consumer Taxes" include sales, hotel, meals, admissions and cigarette taxes.



Proposed FY 2017 General Fund Expenditures $831,261,000

In the FY 2017 budget breakdown, "Other Departments and Services" includes public works, libraries, recreation, cultural facilities, zoo, maritime facility, planning, neighborhood development, economic development, finance, human resources, communications and technology, general services, legislative, executive, law, courts, constitutional officers, outside agencies, and central appropriations.



Note: Percentages may not total to 100 due to rounding. * Does not include in-kind support.

Estimated General Fund Revenues by Source

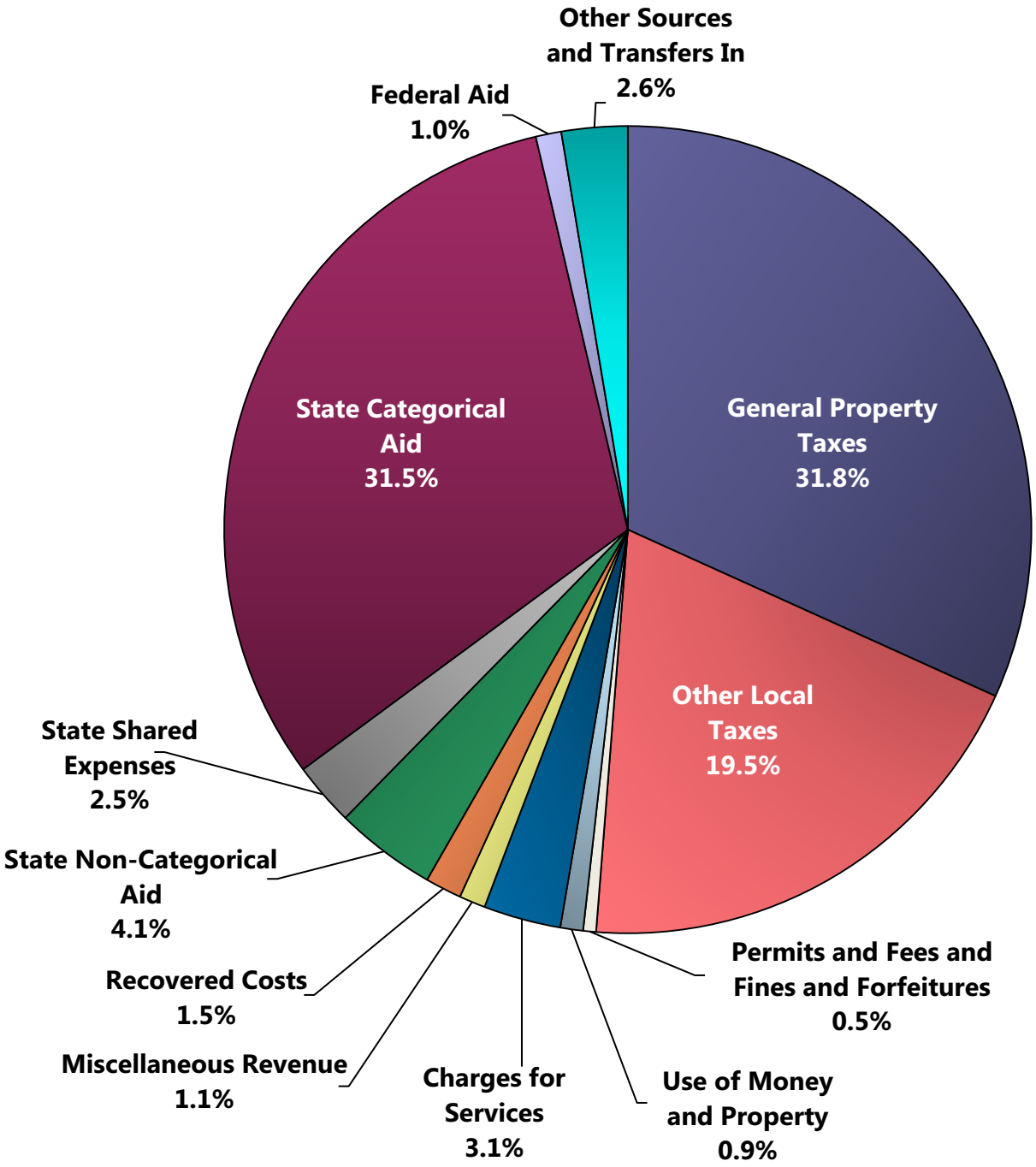
The following table compares the Proposed FY 2017 General Fund Operating Budget to the Approved FY 2016 General Fund Operating Budget and the FY 2015 Actual amount. Funding sources are shown by category to provide an overview of the principal sources of revenue for the general operating fund of the city. These revenue sources support general government operations. The tables and charts in the pages that follow show revenues and expenditures for all funds.

Source	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	FY 2016 vs. FY 2017 $ Change	FY 2016 vs. FY 2017 % Change
General Property Taxes	258,974,929	257,821,500	264,032,000	6,210,500	2.4%
Other Local Taxes	154,867,325	158,508,748	162,026,400	3,517,652	2.2%
Permits and Fees	3,013,376	3,196,000	3,007,600	-188,400	-5.9%
Fines and Forfeitures	1,261,218	1,157,600	1,275,000	117,400	10.1%
Use of Money and Property[1]	9,862,740	7,368,890	7,570,159	201,269	2.7%
Charges for Services	22,812,094	24,633,725	25,745,109	1,111,384	4.5%
Miscellaneous Revenue	7,570,101	8,628,083	8,734,009	105,926	1.2%
Recovered Costs	10,563,507	11,405,075	12,134,608	729,533	6.4%
Non-Categorical Aid - State	33,245,972	32,571,100	33,707,100	1,136,000	3.5%
Shared Expenses - State	20,478,109	21,043,828	21,102,700	58,872	0.3%
Categorical Aid - State	253,429,799	254,040,223	261,468,924	7,428,701	2.9%
Federal Aid	8,641,316	8,738,866	8,511,596	-227,270	-2.6%
Other Sources and Transfers In[2]	35,240,026	23,265,483	21,945,795	-1,319,688	-5.7%
General Fund Total	**819,960,512**	**812,379,121**	**831,261,000**	**18,881,879**	**2.3%**

[1] The decrease in use of money and property from FY 2015 reflects one-time funds received in FY 2015 related to the agreement with the Norfolk Airport Authority.

[2] The decrease in other sources and transfers in from FY 2015 was largely due to the decrease in the city and Norfolk Public Schools carryforward of prior year savings and school construction, technology and infrastructure funds, which was about $12.9 million.

Proposed
FY 2017 General Fund Revenues by Source



Note: Percentages may not total to 100 due to rounding.

Estimated Revenues by Source (All Funds)

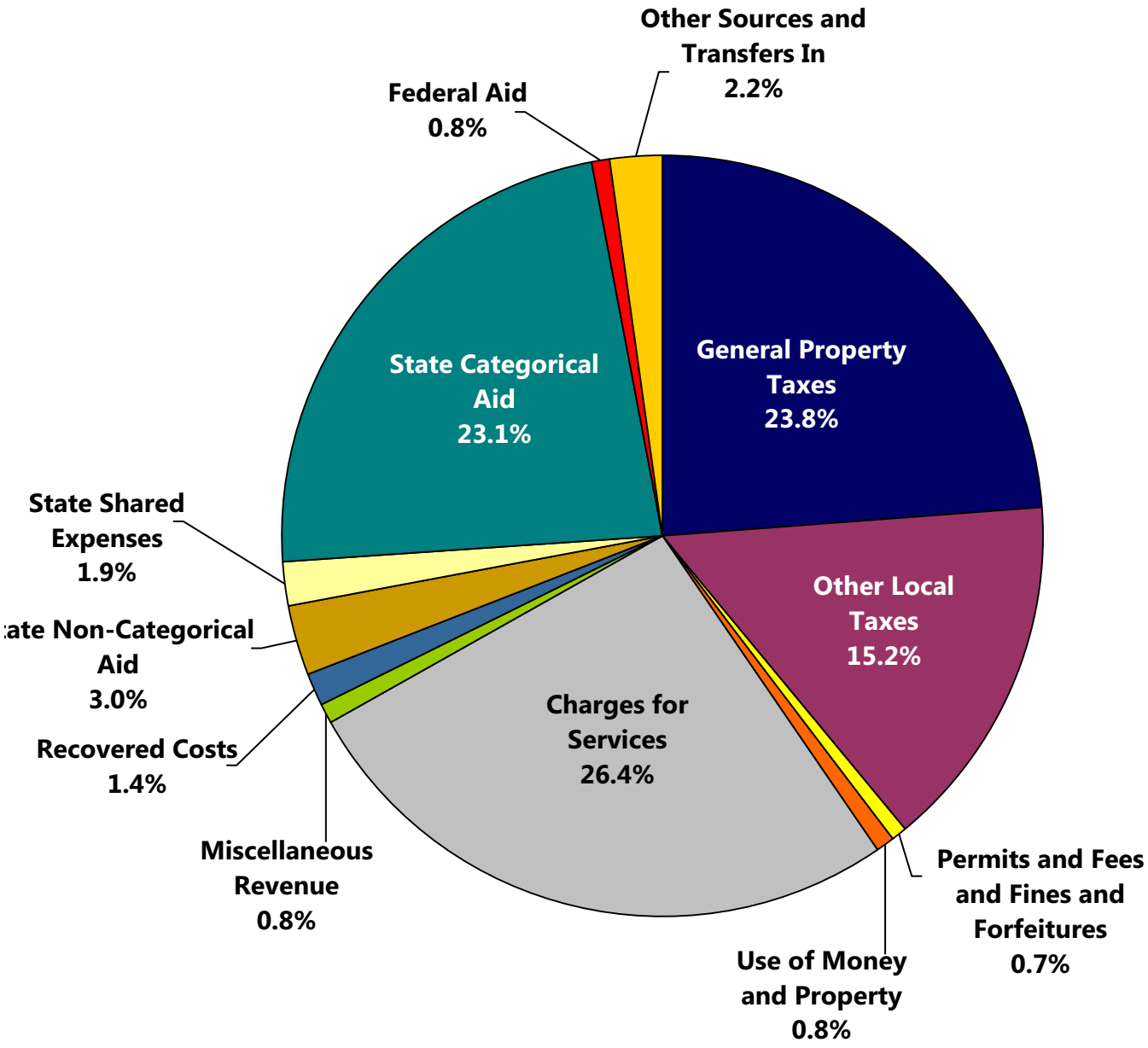
The following table compares the Proposed FY 2017 General Fund Operating Budget to the Approved FY 2016 General Fund Operating Budget and the FY 2015 Actual amount. Funding sources by category are shown to provide an overview of the sources of revenue for all operating funds of the city. Revenues are contained in those categories where they are originally raised.

Source	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	FY 2016 vs. FY 2017 $ Change	FY 2016 vs. FY 2017 % Change
General Property Taxes	262,313,229	262,805,600	269,416,000	6,610,400	2.5%
Other Local Taxes	164,270,397	167,931,244	171,962,996	4,031,752	2.4%
Permits and Fees	4,467,990	3,862,100	3,681,445	-180,655	-4.7%
Fines and Forfeitures	3,807,547	3,181,600	3,804,343	622,743	19.6%
Use of Money and Property[1]	12,391,216	8,520,229	8,873,428	353,199	4.1%
Charges for Services	288,777,654	291,171,567	298,906,528	7,734,961	2.7%
Miscellaneous Revenue	11,200,126	9,198,133	9,486,107	287,974	3.1%
Recovered Costs	14,147,192	14,933,211	15,706,073	772,862	5.2%
Non-Categorical Aid - State	33,245,972	32,571,100	33,707,100	1,136,000	3.5%
Shared Expenses - State	20,478,109	21,043,828	21,102,700	58,872	0.3%
Categorical Aid - State	253,429,799	254,040,223	261,468,924	7,428,701	2.9%
Federal Aid	8,724,396	8,802,483	8,625,213	-177,270	-2.0%
Other Sources and Transfers In[2]	39,246,641	27,713,189	25,153,240	-2,559,949	-9.2%
Total All Funds	**1,116,500,268**	**1,105,774,507**	**1,131,894,097**	**26,119,590**	**2.4%**

[1] The decrease in use of money and property in FY 2015 reflects one-time funds received in FY 2015 related to the agreement with the Norfolk Airport Authority.

[2] The decrease in other sources and transfers in from FY 2015 was largely due to the decrease in the city and Norfolk Public Schools carryforward of prior year savings and school construction, technology and infrastructure funds, which was about $12.9 million.

Proposed
FY 2017 Revenues by Source (All Funds)



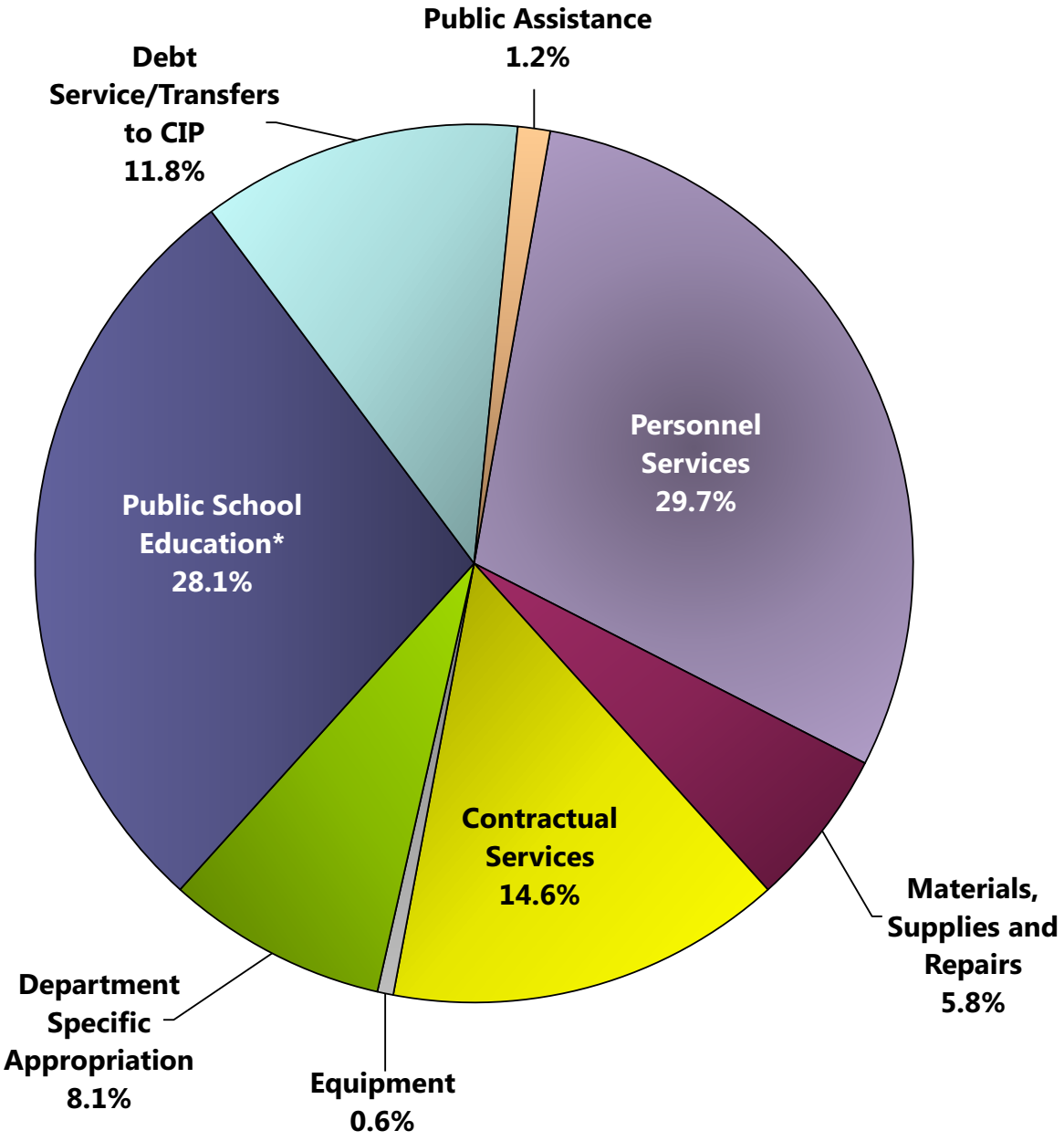
Note: Percentages may not total to 100 due to rounding.

Estimated Expenditures by Use (All Funds)

The following table compares the Proposed FY 2017 Operating Budget to the FY 2016 Approved Operating Budget and the FY 2015 Actual amount. Funding uses by category are shown to provide an overview of the principal uses of expenditures for all operating funds of the city. Expenditures are contained in those categories where they are originally spent.

Uses	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	FY 2016 vs. FY 2017 $ Change	FY 2016 vs. FY 2017 % Change
Personnel Services	309,266,366	324,972,893	336,633,713	11,660,820	3.6%
Materials, Supplies and Repairs	62,339,385	63,644,756	65,768,482	2,123,726	3.3%
Contractual Services	166,256,099	166,256,949	165,492,722	-764,227	-0.5%
Equipment	6,726,548	5,921,395	6,646,895	725,500	12.3%
Department Specific Appropriation	77,742,049	88,908,952	92,152,096	3,243,144	3.6%
Public School Education	314,068,803	314,678,771	318,187,143	3,508,372	1.1%
Debt Service/Transfers to CIP	104,992,461	127,981,476	133,555,963	5,574,487	4.4%
Public Assistance	12,288,210	13,409,315	13,457,083	47,768	0.4%
Total All Funds	**1,053,679,921**	**1,105,774,507**	**1,131,894,097**	**26,119,590**	**2.4%**

Proposed
FY 2017 Expenditures by Use (All Funds)



Note: Percentages may not total to 100 due to rounding.

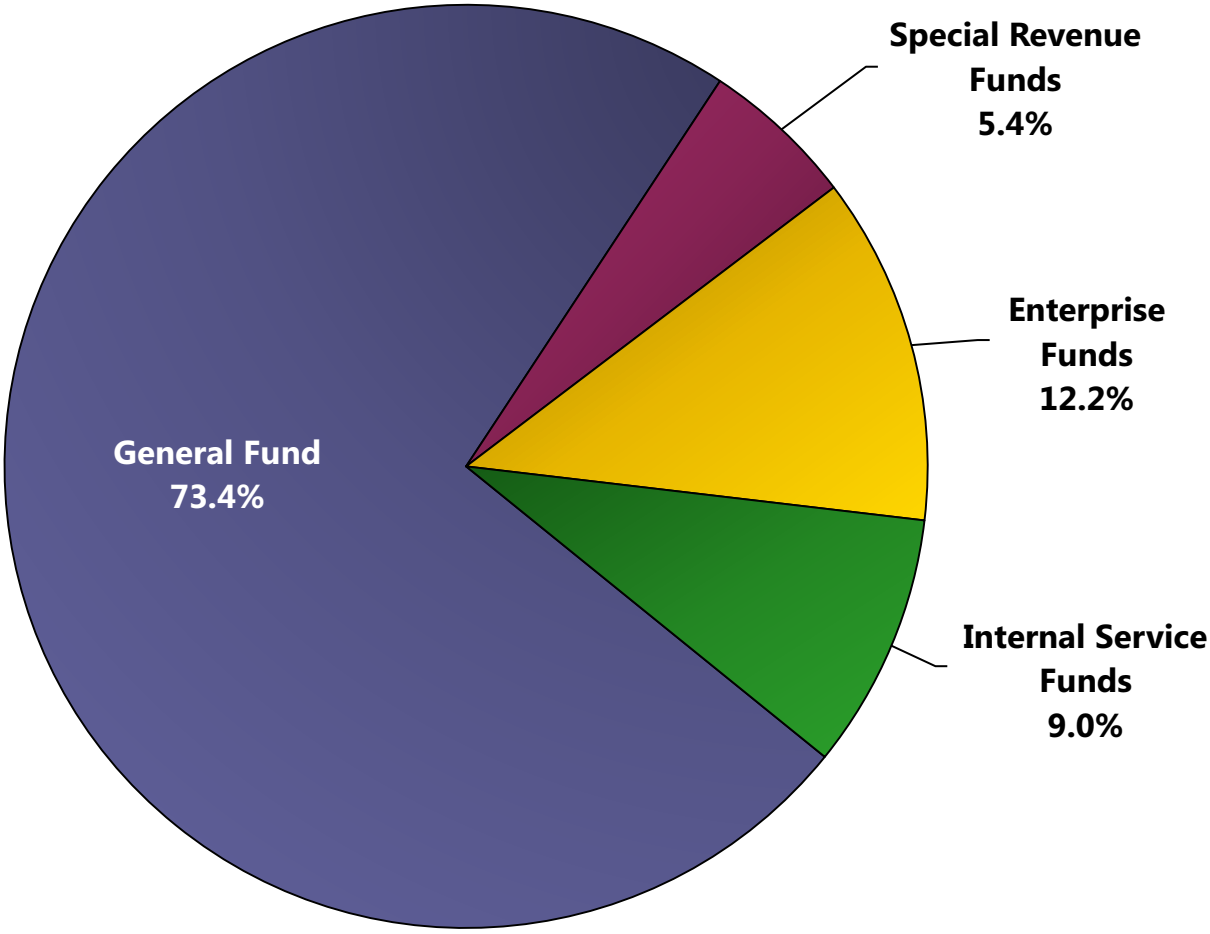
* Does not include "in-kind" support. See Public School Education section.

Estimated Expenditures by Fund Type

The following table compares expenditures by fund type in the Proposed FY 2017 Operating Budget with the Approved FY 2016 Operating Budget and the FY 2015 Actual amount.

Fund Type	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	FY 2016 vs. FY 2017	
				$ Change	% Change
General Fund	802,828,780	812,379,121	831,261,000	18,881,879	2.3%
Special Revenue Funds	59,036,638	58,319,152	61,120,099	2,800,947	4.8%
Enterprise Funds	90,386,624	133,696,707	138,036,398	4,339,691	3.2%
Internal Service Funds	101,427,879	101,379,527	101,476,600	97,073	0.1%
Total All Funds	**1,053,679,921**	**1,105,774,507**	**1,131,894,097**	**26,119,590**	**2.4%**

Proposed
FY 2017 Expenditures by Fund Type (All Funds)



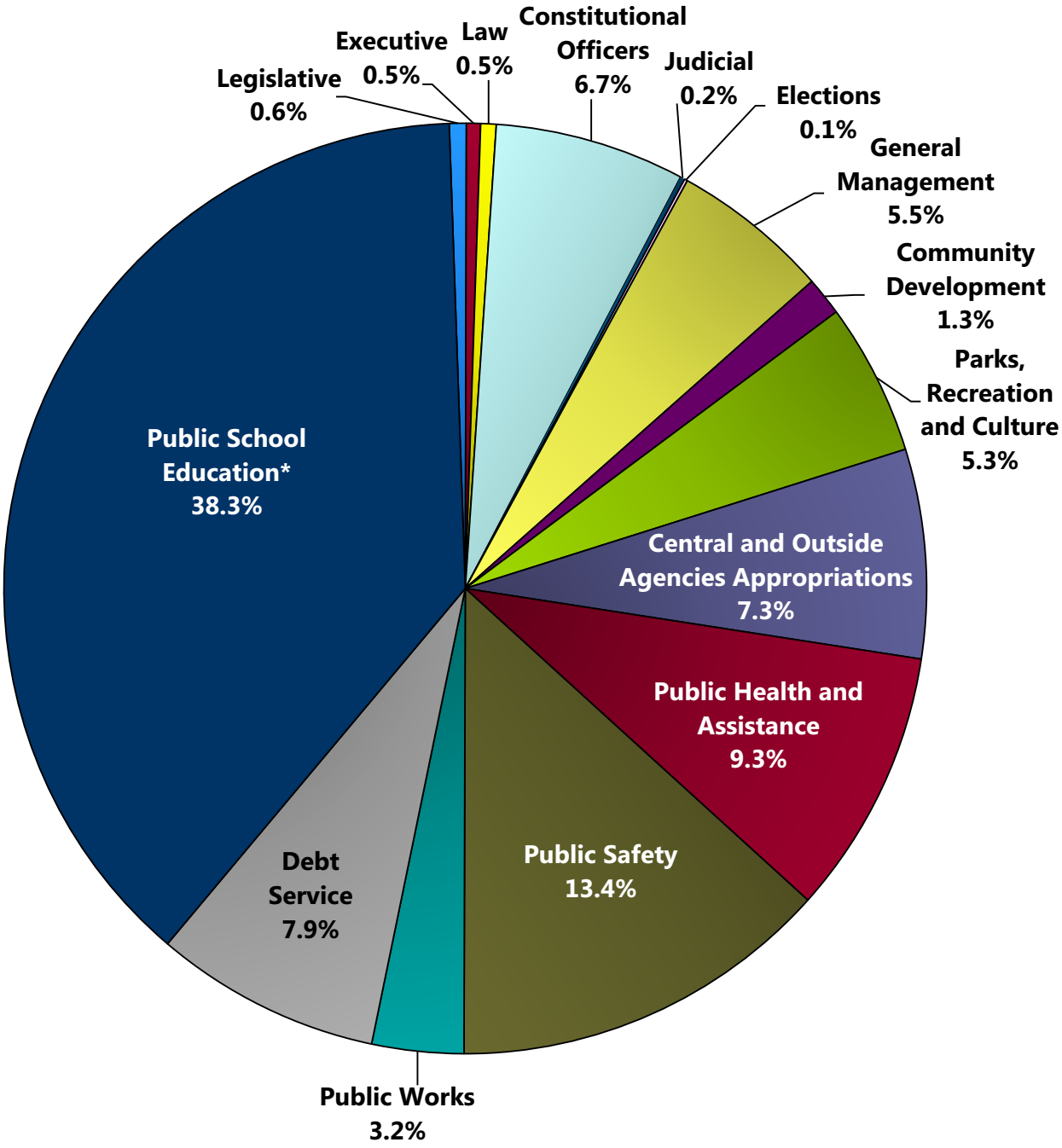
Note: Percentages may not total to 100 due to rounding.

Estimated General Fund Expenditures by Area

The following table compares the Proposed FY 2017 General Fund Operating Budget to the FY 2016 General Fund Operating Budget and the FY 2015 Actual amount. Major areas of service are shown to provide a broad overview of the expenditures for the general operating fund of the city.

Service Area	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	FY 2016 vs. FY 2017	
				$ Change	% Change
Legislative	4,477,935	4,623,759	4,934,613	310,854	6.7%
Executive	3,527,720	3,796,901	4,110,478	313,577	8.3%
Department of Law	4,166,176	4,386,569	4,499,892	113,323	2.6%
Constitutional Officers	53,046,174	54,943,097	55,313,211	370,114	0.7%
Judicial	1,110,625	1,279,259	1,304,721	25,462	2.0%
Elections	690,083	978,131	895,986	-82,145	-8.4%
General Management	41,020,379	44,788,631	46,004,791	1,216,160	2.7%
Community Development	9,278,332	9,922,055	11,148,965	1,226,910	12.4%
Parks, Recreation and Culture	40,245,643	42,090,368	44,012,604	1,922,236	4.6%
Central and Outside Agency Appropriations	56,021,586	60,882,376	60,374,116	-508,260	-0.8%
Public Health and Assistance	73,371,439	75,583,857	76,931,956	1,348,099	1.8%
Public Safety	104,819,083	107,533,537	111,093,054	3,559,517	3.3%
Public Works	24,286,170	24,509,658	26,702,280	2,192,622	8.9%
Debt Service	72,698,632	62,382,152	65,747,190	3,365,038	5.4%
Public School Education	314,068,803	314,678,771	318,187,143	3,508,372	1.1%
General Fund Total	**802,828,780**	**812,379,121**	**831,261,000**	**18,881,879**	**2.3%**

Proposed
FY 2017 General Fund Expenditures by Area



Note: Percentages may not total to 100 due to rounding.

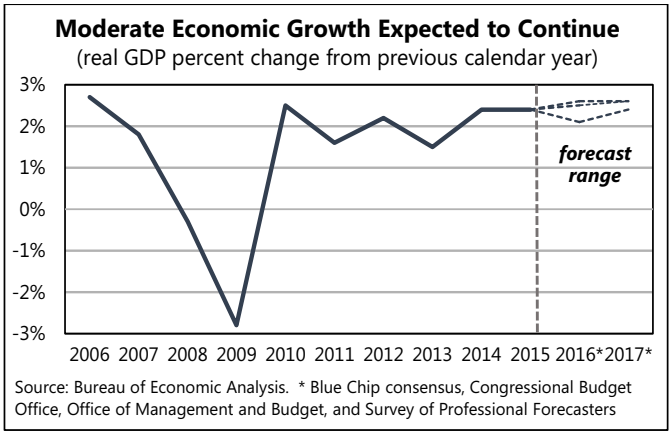
* Does not include "in-kind" support. See Public School Education section.

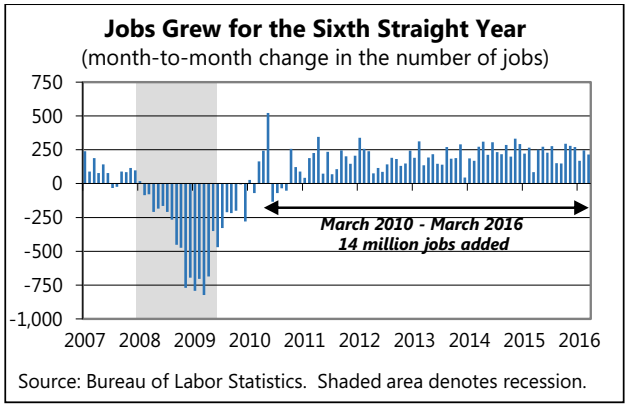
Major Revenue Sources

Evaluating the city's current and long-term financial health requires a review of the economy and major revenue sources. Overall, General Fund revenues are projected to rise 2.3 percent in FY 2017. Moreover, real estate assessments, which drives the largest locally generated General Fund revenue source (real estate taxes), are projected to grow 1.7 percent, below the growth in FY 2016 (2.3 percent), but above the growth in FY 2015 (1.4 percent) and FY 2014 (0.6 percent).

Economic Overview

For all of 2015, the national economy, as measured by the real gross domestic product (GDP), rose 2.4 percent - the same as in 2014, although the rate of growth weakened in the last quarter of 2015. Consumer spending contributed most of the growth (nearly 88 percent), along with business and residential investment, state and local government spending, and federal nondefense spending. The decline in net exports and federal defense spending dampened the growth. Also, in December 2015, the Federal Reserve began the gradual process of normalizing interest rates by raising the target range for the federal funds rate by 0.25 percentage point. The action was noted by Federal Reserve Chair Janet Yellen as the end of the seven-year period when the rate was held near zero to support the recovery of the economy from the worst financial crisis and recession since the Great Depression. Yellen also noted the rate increase reflected the progress the economy has made and confidence the economy will continue its recovery. Moderate economic growth is projected to continue - the Blue Chip consensus forecast, Congressional Budget Office, and Office of Management and Budget has projected real GDP growth ranging 2.5 - 2.6 percent in 2016 and 2017, while the Survey of Professional Forecasters median forecast indicated a 2.1 percent (2016) and 2.4 percent (2017) growth.

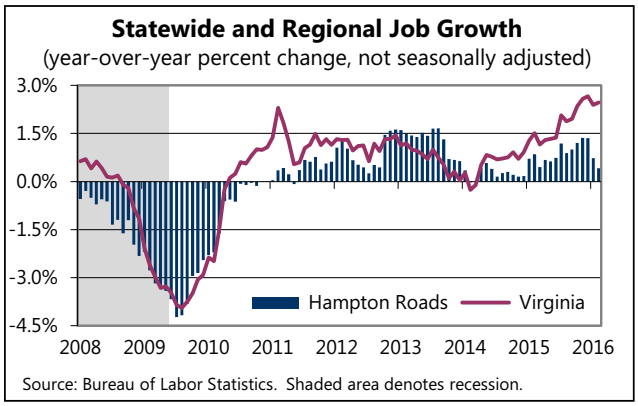




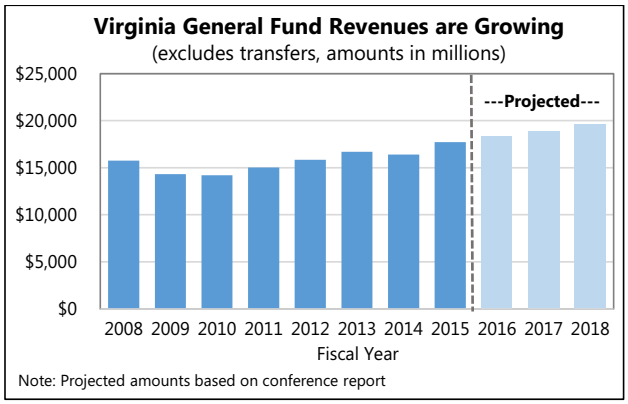
On the employment front, the national economy added about 2.7 million jobs in 2015 which was the sixth straight year of job growth. Both the private and public sectors added jobs in 2015. Within the private sector, the number of jobs grew in most major industries, except the mining industry, which includes the energy sector and has lost jobs as a result of the drop in oil prices. The number of jobs continued to grow in 2016 with 628,000 jobs added from January through March. Since falling to its lowest level as a result of the Great Recession in February 2010, the economy has added about 14 million jobs through March 2016. Along with job growth, the unemployment rate has also declined, falling to an annual average rate of 5.3 percent in 2015 from 6.2 percent in 2014, and in the first three months of 2016, the unemployment rate has ranged from 4.9 percent in January and February to 5.0 percent in March.

Virginia's average nonfarm employment rose 1.8 percent (67,800 jobs) to 3,851,200 in 2015, the largest annual average employment increase since 2005. Jobs rose in most major industries, with the biggest gains seen in professional and business services, leisure and hospitality, health services, transportation and warehousing, and retail trade, while the annual average number of jobs fell in mining, information and local government. Across the state, the annual average nonfarm employment increased in all Virginia metropolitan statistical areas (MSA),

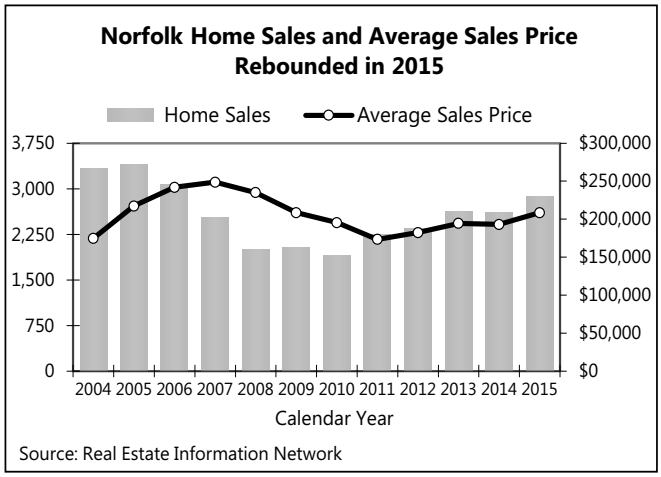
ranging from 0.6 percent (Roanoke MSA) to 3.4 percent (Charlottesville MSA). Also, the average unemployment rate in Virginia fell to 4.4 percent in 2015 from 5.2 percent in 2014. This was Virginia's lowest annual average rate since 2008 and Virginia's rate was also below the nation's annual average unemployment rate of 5.3 percent in 2015. In 2016, Virginia nonfarm employment (not seasonally adjusted) continued to rise year-over-year in February 2016 by 2.5 percent (92,900 jobs) and has risen year-over-year in every month since April 2014.



Hampton Roads' average nonfarm employment rose 0.9 percent (7,000 jobs) in 2015 to 765,400 which was above the 0.3 percent (revised) growth in 2014. The biggest gains in 2015 were in health services, leisure and hospitality, federal government, construction, and retail trade, while losses in state and local government, manufacturing, and information offset some of the gains. In 2016, the region's nonfarm employment (not seasonally adjusted) continued to rise year-over-year in February 2016 by 0.4 percent (3,100 jobs). With the annual benchmark revision, jobs in the region have been rising year-over-year since March 2014. Prior to the revision, jobs had only been rising year-over-year since November 2014. On a seasonally adjusted basis, the number of jobs in the region fell month-to-month in January and February 2016 and was still below pre-recession peak employment by 15,600 jobs (2.0 percent). However, moderate employment growth in 2016 has been projected by Old Dominion University and Hampton Roads Planning District Commission regional economists in their annual economic outlook in January 2016.

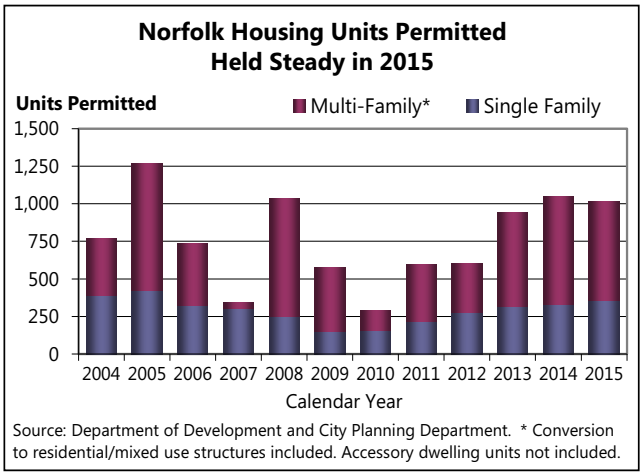


Virginia's economic outlook continues to be one of moderate growth and performing below the national economy regarding employment, personal income, and wage growth. Virginia's fiscal stability is significant to Norfolk, since nearly 40 percent of General Fund resources come from the Commonwealth. These resources support Norfolk Public Schools, social services, street maintenance and other basic services. Unlike last year when the Commonwealth's budget process began with a $2.4 billion gap and a reduction in aid-to-localities to help close that gap, this year's process began on a positive note, as FY 2015 ended with revenue collections exceeding the forecast by $549.6 million and moderate revenue growth projected in the upcoming biennium. The 2016 General Assembly actions included additional funding for localities in the upcoming biennium such as, for Norfolk Public Schools, law enforcement (HB 599), jail per diem, localities that host facilities owned by the Virginia Port Authority, and street maintenance.



With the additional state funding, Norfolk revenues continue to improve, although the recovery from the Great Recession has been slow. Unlike the Commonwealth whose revenues have exceeded their pre-recession peak, the city's General Fund revenues increased 2.2 percent in the past five years, compared to the Commonwealth's revenue (excluding transfers) growth of 24.7 percent. Norfolk's revenue growth had been held back by the slow housing market recovery, since like other localities, the city's largest source of locally generated revenue comes from real property taxes. In FY 2017, the latest estimate from the Real Estate Assessor's Office is for a 1.7 percent increase in overall real estate assessments. The increase follows three straight years of growth of 2.3 percent in FY

2016, 1.4 percent in FY 2015 and 0.6 percent in FY 2014. Residential assessments will also increase in FY 2017 by 0.9 percent for the third straight year. That growth is a reflection of the improvement in the local housing market. In the past four years, the average sales price of homes in Norfolk has increased 20 percent. In 2015 alone, Norfolk had the largest increase in the average and median sales price of homes sold among the seven major cities in the region. Dampening home price growth are distressed homes which are typically sold at a discount. Economists at Old Dominion University indicated distressed homes still make up a significant portion of the region's residential market activity (about 16.7 percent or one out of six).



Source: Department of Development and City Planning Department. * Conversion to residential/mixed use structures included. Accessory dwelling units not included.

In addition to home sales, new construction will support future growth in overall assessments. Although the permitting of housing units in Norfolk fell slightly in 2015, it was still nearly 1.5 times higher than the annual average permitted in the past 15 years. The decline was mainly from housing units permitted in commercial buildings being converted to residential structures such as apartments. In contrast, the permitting of housing units in other structures including single-family housing rose in 2015, offsetting most of the decline from commercial conversions. In 2015, single-family housing units permitted rose to their highest level since 2005. There were also several apartment construction projects issued permits in 2015 including the Watermark, Banks at Berkley, and Maplewood Plaza apartments.

In 2015, the value of permits issued for nonresidential (or "commercial") projects were above last year. Commercial projects issued permits in 2015 included the Sam's Club, Sentara Leigh Hospital improvements, Phase II of the Courthouse Complex, The Main (reissued in April 2015), and the Larchmont, Ocean View, Broad Creek, Campostella, and Camp Allen elementary schools. It is important to note that Norfolk is built out, and the building activity occurring is mainly redevelopment, infill development, and vertical expansion.

General Fund Revenue Overview

The city generates revenue through taxes, user charges, and intergovernmental transfers from the state and federal government. Over half of the city's General Fund revenues are generated locally from various taxes and fees including real estate, personal property, retail sales, permits, fines and user charges. These sources provide the revenue to fund general services such as police, fire, parks and recreation, street maintenance, local commitment to education, and human services.

The Commonwealth of Virginia provides nearly 40 percent of General Fund revenues, which mostly consists of funding for dedicated purposes such as education, social services, transportation and constitutional officers. HB 599 funds for law enforcement, city's share of personal property tax relief funds, and the tax on rental of cars also make up revenue from the Commonwealth. As a result of the Great Recession, the Commonwealth saw a significant decline in revenues and in turn, reduced Direct Aid to education, HB 599, Constitutional Officers salaries and benefits funding, jail per diem, and funds for street maintenance, imposed a "flexible cut" to state aid to localities, and eliminated the local share of ABC profits and wine tax. Although the city's revenues from the Commonwealth are still below the peak reached in FY 2009, the FY 2017 budget reflects increased state aid for Norfolk Public Schools, street maintenance, HB 599, and other basic services.

The remaining revenue comes from the federal government (largely dedicated to Norfolk Public Schools and the Norfolk Community Services Board), recovered costs, interfund transfers, and carryforward prior year savings. Interfund transfers represent a return on investment from Waste Management and Utilities (water and wastewater) operations, return of Tax Increment Financing surplus funds, and Public Amenities funding to support the Norfolk

Consortium. Carryforward funds are generated through a combination of current and prior year savings and may also include the reappropriation of prior year unspent funds.

Preliminary General Fund revenue projections, based on historical trends and latest economic data, were presented during the City Council Retreat (September 2015) and the City Manager's mid-year report on the budget (March 2016). Projections for FY 2017 were updated through March to incorporate the most recent information available. Revenue estimates were based on analysis of the collection history and patterns, the underlying drivers that impact a revenue source, and the overall economic environment projected for the city in the coming year. Revenue amounts shown in the following discussion include the FY 2016 budget ("FY 2016 estimate"), FY 2016 end of year estimate, and FY 2017 budget ("FY 2017 estimate"). The FY 2017 General Fund budget is approximately $831.3 million, which is 2.3 percent ($18.9 million) above the FY 2016 budget.

General Fund Revenues

Source	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	FY 2016 vs. FY 2017 $ Change	FY 2016 vs. FY 2017 % Change	FY 2017 % of Total
General Property Taxes	258,974,929	257,821,500	264,032,000	6,210,500	2.4%	31.8%
Other Local Taxes	154,867,325	158,508,748	162,026,400	3,517,652	2.2%	19.5%
Permits and Fees	3,013,376	3,196,000	3,007,600	-188,400	-5.9%	0.4%
Fines and Forfeitures	1,261,218	1,157,600	1,275,000	117,400	10.1%	0.2%
Use of Money and Property[1]	9,862,740	7,368,890	7,570,159	201,269	2.7%	0.9%
Charges for Services	22,812,094	24,633,725	25,745,109	1,111,384	4.5%	3.1%
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Recovered Costs	10,563,507	11,405,075	12,134,608	729,533	6.4%	1.5%
Non-Categorical Aid - State	33,245,972	32,571,100	33,707,100	1,136,000	3.5%	4.1%
Shared Expenses - State	20,478,109	21,043,828	21,102,700	58,872	0.3%	2.5%
Categorical Aid - State	253,429,799	254,040,223	261,468,924	7,428,701	2.9%	31.5%
Federal Aid	8,641,316	8,738,866	8,511,596	-227,270	-2.6%	1.0%
Other Sources and Transfers In[2]	35,240,026	23,265,483	21,945,795	-1,319,688	-5.7%	2.6%
General Fund Total	**819,960,512**	**812,379,121**	**831,261,000**	**18,881,879**	**2.3%**	**100.0%**

[1] Decrease in use of money and property from FY 2015 reflects one-time funds received in FY 2015 related to the Norfolk Airport Authority agreement.

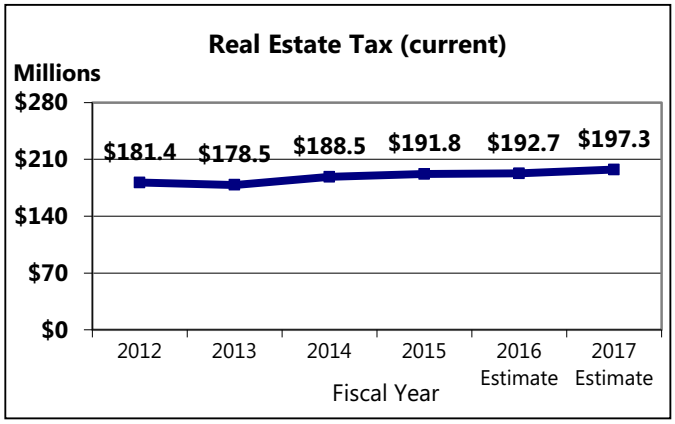
[2] Decrease in other sources and transfers in from FY 2015 was largely due to a decline in the city and Norfolk Public Schools carryforward of prior year savings and school construction, technology and infrastructure funds which was about $12.9 million.

Note: Percentages may not total to 100 due to rounding.

Revenue Monitoring

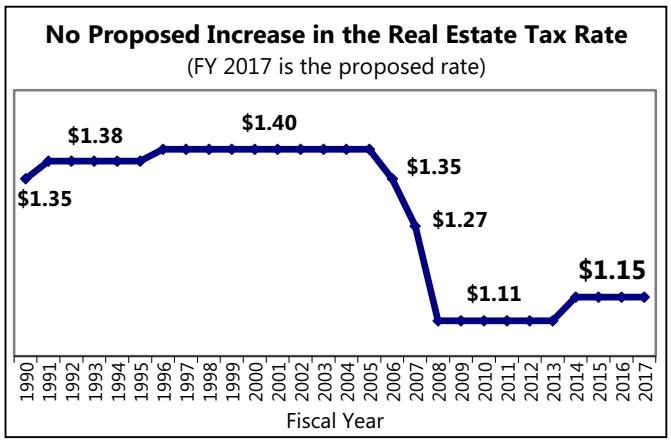
Collection of all of the city's revenue sources are monitored throughout the year. Data from monthly financial reports are monitored to determine the accuracy of budget projections. This allows for appropriate administrative action if actual results differ substantially from projections. A detailed analysis is completed to project future revenue collections taking into account unique patterns, seasonal fluctuations and economic conditions. Strong collection rates for locally generated taxes and fees reflect Norfolk residents' commitment and fulfillment of responsibility to the city.

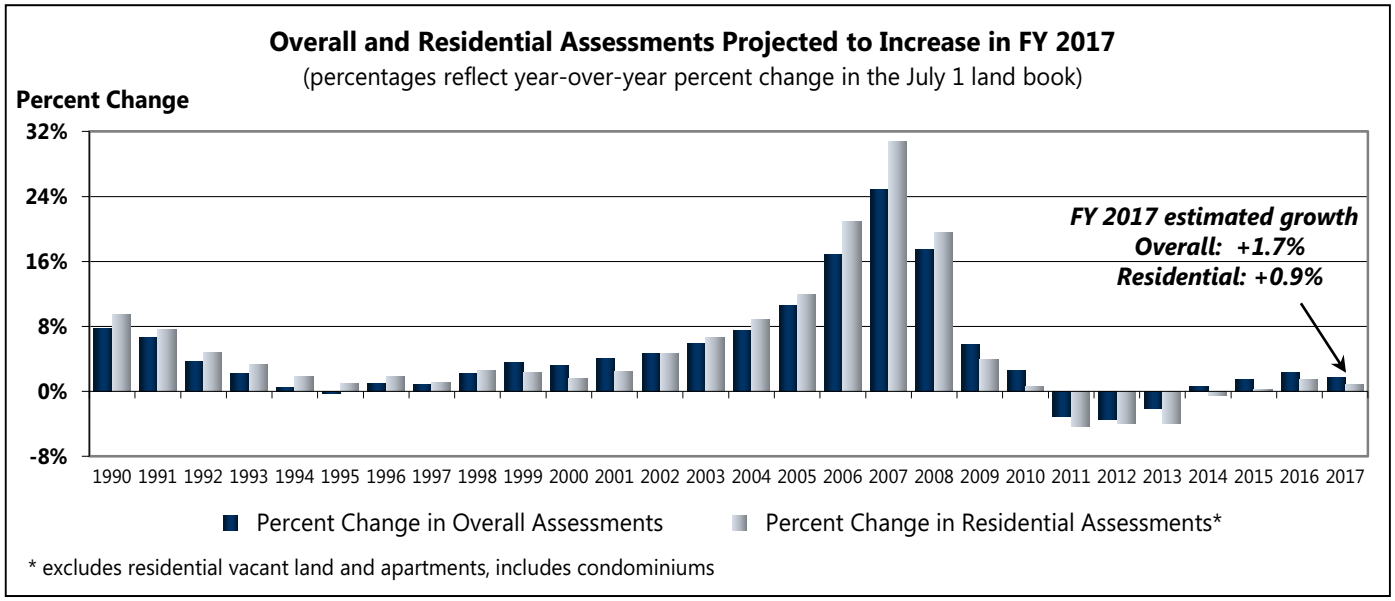
General Property Taxes

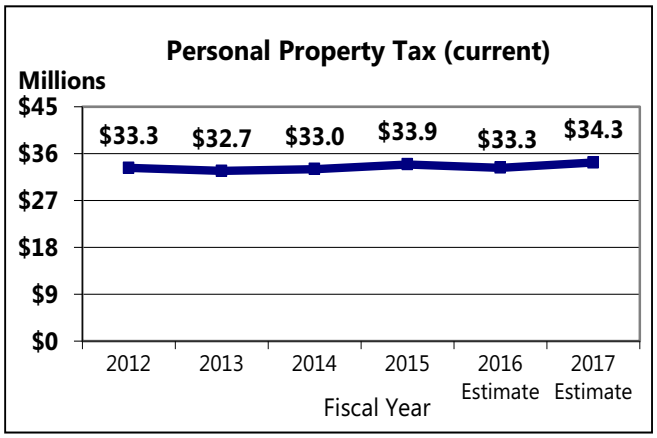


General property taxes are levied on the assessed value of real and personal property. These taxes represent nearly 32 percent ($264 million) of the city's General Fund revenues. Real estate taxes make up the largest component of general property taxes ($214 million or 25.8 percent of General Fund revenues), which includes current and delinquent taxes and tax on public service corporations and Downtown Improvement District real property. Current real estate taxes make up about 23.7 percent ($197.3 million) of FY 2017 revenues, an increase of 2.4 percent from the FY 2016 budget ($192.7 million). The FY 2017 estimate of current real estate taxes assumes no change in the real estate tax rate of $1.15 per $100 of assessed value, improved collections, and continuing to set aside $5.0 million for real estate tax relief to qualifying senior/disabled homeowners, disabled veterans, and surviving spouses of military personnel killed in action.

The FY 2017 estimate of current real estate taxes also takes into account the Real Estate Assessor's Office's most recent estimate of the overall assessments which is projected to increase by approximately 1.7 percent on July 1, 2016 from its land book value on July 1, 2015. This would mark the fourth straight year of increase in overall assessments. Moreover, residential assessments are also projected to increase by 0.9 percent in FY 2017, the third straight year of growth. However, in spite of the projected growth in FY 2017, both overall and residential assessments continue to be below their peak level in FY 2010 by approximately 2.8 percent and 10.0 percent, respectively. The city's real estate assessments and tax rate account for about 38 percent of real estate in the city is tax-exempt, largely due to federal land ownership. Among the seven major cities in the region, only Portsmouth has a higher percentage of tax-exempt real property, although Norfolk has the highest dollar value of tax exempt real property in the region.



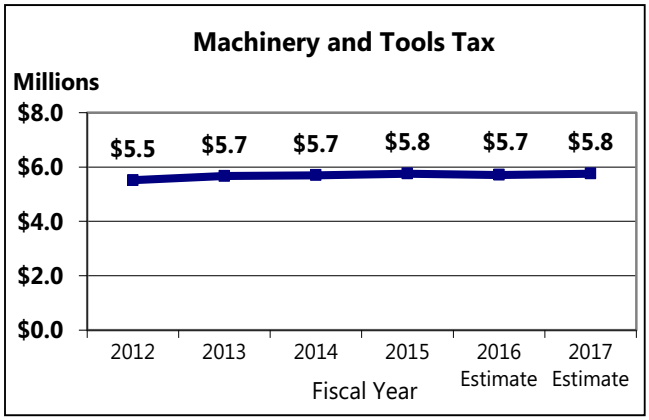




The second largest component of general property taxes is the personal property tax, which is levied on tangible personal property, including motor vehicles, boats, aircraft, business furnishings and office equipment. Household goods and personal effects are exempt from taxation. Personal property tax (current) makes up 4.1 percent ($34.3 million) of FY 2017 General Fund revenues and is 3.0 percent ($1.0 million) above the FY 2016 budget. Collections from this source have improved in recent years. Personal property taxes in total (delinquent collections, refunds, and public service corporations) are estimated to be about 1.5 percent ($0.6 million) above FY 2016 and comprise 5.3 percent of FY 2017 General Fund revenues.

The FY 2017 estimate assumes no change in the general tax rate on personal property at $4.33 per $100 of assessed value. The estimate also assumes the state car tax relief is unchanged at 55 percent (55%) rate for FY 2017 (tax bills due June 5, 2017). The 55 percent relief rate is anticipated to fully exhaust relief funds provided to the city by the Commonwealth of Virginia under the Personal Property Tax Relief Act. This means that qualifying vehicles with an assessed value of more than $1,000 will receive a **55 percent (55%) rate** of tax relief on the vehicle's first $20,000 of assessed value. Qualifying vehicles with an assessed value of $1,000 or less will receive 100 percent (100%) rate of tax relief. Prior to FY 2006, qualifying vehicles with an assessed value of more than $1,000 were reimbursed for 70 percent of the total property tax eligible for relief. State legislation passed in 2004 capped car tax relief funds statewide at $950 million beginning in FY 2006. Consequently, each locality in the state now receives a fixed share of the $950 million of statewide personal property tax relief funds per state code. Each locality's share was determined based on the proportional share of actual personal property tax relief payments received in tax year 2005, as certified by the Commonwealth of Virginia Auditor of Public Accounts, of which, Norfolk's share is $16,871,056. Personal property tax relief funds received and not used in FY 2017 shall be carried forward and used to increase the funds available for car tax relief. With the state capping the amount of funds available for car tax relief, the percentage of the state reimbursement compared to the total tax is expected to decrease over time and residents will pay an increasing share of the car tax.

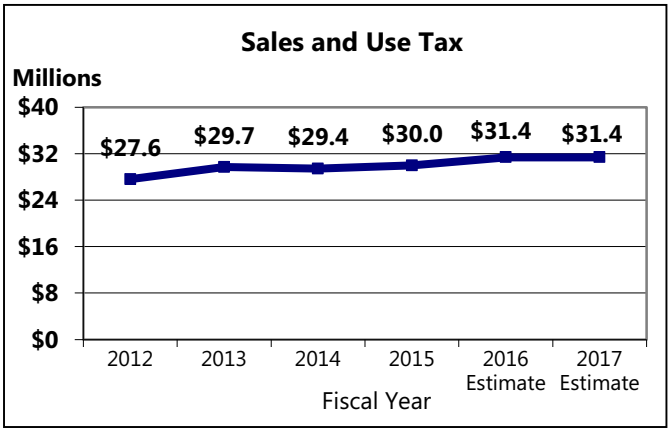
The machinery and tools tax is the third largest component of general property taxes and makes up about 0.7 percent ($5.8 million) of General Fund revenues. The tax is levied on machinery and tools used in manufacturing, mining, radio and television broadcasting, cable television, dry cleaning or laundry businesses at a rate of $4.25 per $100 of assessed value, eight cents below the general personal property tax rate. Business expansion in the city has generated additional revenue from this source. In recent years, revenue from this source has been fairly stable. However, there are attempts each year to curtail or eliminate entirely the ability of localities to generate revenue from this source.



Other Local Taxes

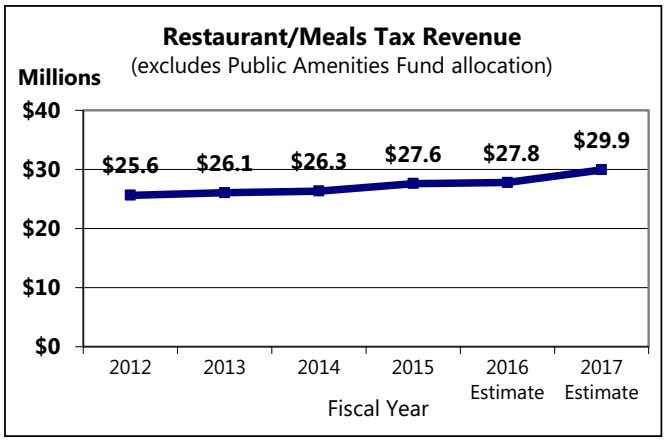
Other local taxes are comprised of consumer and business-based taxes, including excise taxes on utilities (water, gas, electricity, and communications), sales, hotel, restaurant/meals, admissions, and cigarettes, as well as franchise, business license, and recordation taxes. In FY 2017, other local taxes are projected to make up about 19.5 percent ($162 million) of General Fund revenues. Citywide, other local taxes total about $172.0 million in the operating budget which includes the Public Amenities Fund portion of the hotel and restaurant/meals tax ($6.4

million) and the Emergency Preparedness and Response portion of the telecommunications sales and use tax ($3.6 million). The revenue category is sensitive to changes in economic conditions.



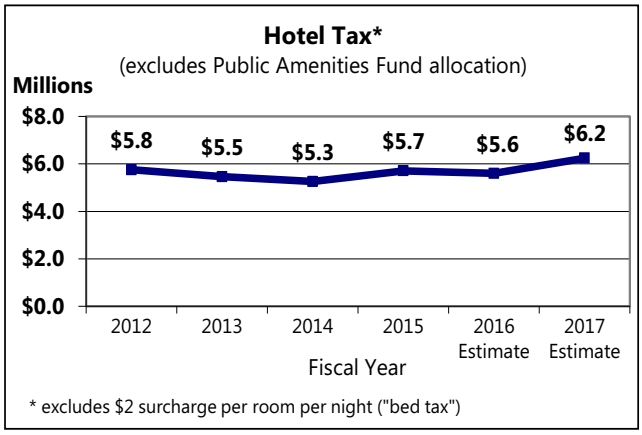
The sales and use tax makes up about 3.8 percent ($31.4 million) of the city's General Fund revenue and is levied on selling, distribution, leasing or renting of tangible personal property, use or consumption of tangible personal property, as well as taxable services in Virginia. Revenue from this source is sensitive to the state of the economy, household income, and underlying price level changes. Current year trend is used in projecting next year's revenues as well as changes in the local retail activity (such as new stores and businesses, expansions, job growth, and overall economic health) are used for projecting this revenue. Adjustments made by the Virginia Department of Taxation for overpayments and underpayments of the tax by businesses also affect collections. Sales tax receipts are projected to remain level from the FY 2016 budget but to increase by 3.6 percent ($1.1 million) from the FY 2016 year-end projection.

Consumer utility taxes on water, gas, electricity and the communications sales and use tax combined make up about 4.7 percent or $39.4 million of the city's General Fund revenue. The consumer utility tax is levied on the purchase of utility service including water, gas, and electricity. Monthly receipts are monitored and used as a basis for estimating the revenue yield, taking seasonal variations into consideration. The consumer utility tax on telephones, cell phones and cable TV were abolished and replaced by a statewide uniform communications sales and use tax on January 1, 2007. The Emergency 911 (E-911) tax on telephones was also replaced by a statewide uniform $0.75 tax per phone at the same time. The E-911 tax is distributed to the city together with the communications sales and use tax in one lump sum. Consequently, a portion of the communications sales and use tax received by the city is allocated and goes directly to support emergency communications (E-911) in the Emergency Preparedness and Response Special Revenue Fund (about $3.6 million). The General Fund portion of the communications sales and use tax in FY 2017 is estimated to be $18.0 million, which is about 1.6 percent ($0.3 million) below the amount in the FY 2016 budget. Since the inception of this tax, the revenue received from this source has fluctuated due to adjustments for overpayments and underpayments of the tax by telecommunications service providers. Revenue from consumer utility taxes and the communication sales and use tax are estimated to decrease by about 0.4 percent ($0.2 million) from the FY 2016 budget but to increase moderately by 1.2 percent ($0.5 million) from the FY 2016 year-end projection.



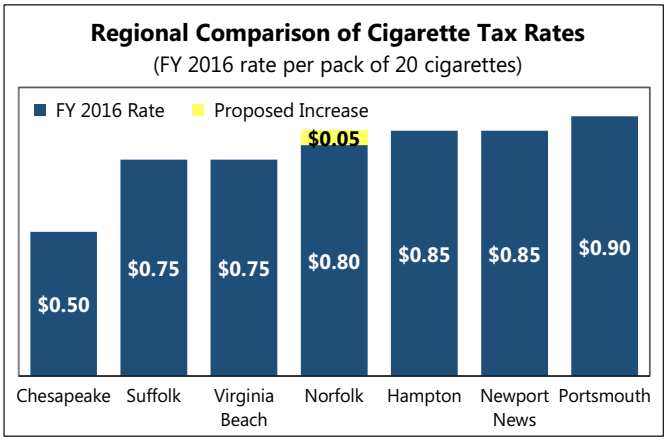
Taxes are collected on prepared meals. The tax rate is 6.5 percent of the value of the meal. The revenue generated by 1.0 percentage point of the tax rate is allocated to the Public Amenities Fund, estimated to be $5.4 million in FY 2017, and the revenue generated from the remaining 5.5 percentage points of the tax rate are allocated to the General Fund, estimated to be $29.9 million in FY 2017. The total revenue generated by the meals tax in the General Fund and Public Amenities Fund combined is about $34.4 million in FY 2017 and is the largest revenue source in the "other local tax" category.

Meals taxes have grown steadily since the end of the recession as new restaurants have opened in several commercial districts including, downtown Norfolk, Military Highway corridor, and Ghent and Colley Avenue areas. Meals taxes make up 3.6 percent ($29.9 million) of General Fund revenues which is about 7.8 percent ($2.2 million) above the FY 2016 budget with continued new development in the city including the opening of The Main in the spring of calendar year 2017.

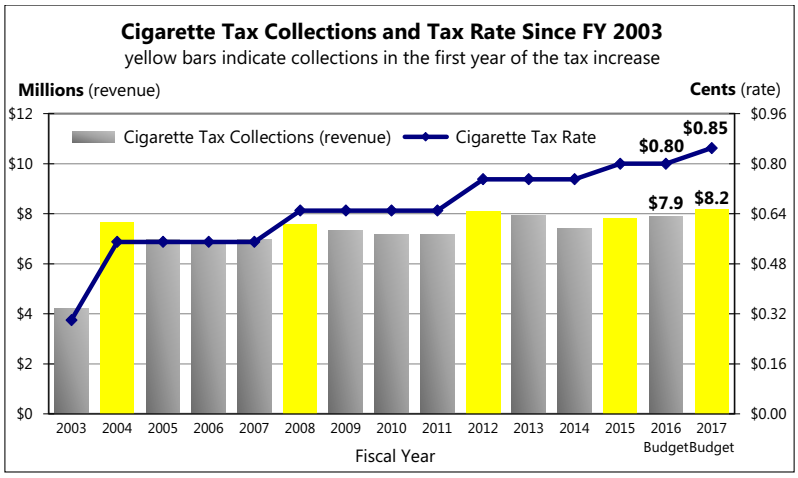


Hotel taxes are levied on hotel rooms rented at the rate of 8.0 percent of the room rate. Like the meals tax, revenue generated by 1.0 percentage point of the tax is allocated to the Public Amenities Fund, estimated to be $0.9 million in FY 2017, and revenue generated from the remaining 7.0 percentage points is allocated to the General Fund, estimated to be $6.2 million in FY 2017. Hotel taxes make up about 0.8 percent ($6.2 million) of General Fund revenues, which is about 11.5 percent ($0.6 million) above the FY 2016 budget and also reflects The Main opening in FY 2017.

The hotel tax estimate above does not include the $2.00 surcharge per room night ("bed tax"), estimated to generate about $1.9 million in FY 2017. The bed tax was enacted on April 1, 2006 at the rate of $1.00 per room night with the support from the Norfolk Hotel-Motel Association. In FY 2012, the bed tax was raised to $2.00 per room night. The revenue collected is designated equally between Norfolk Convention and Visitor's Bureau (Visit Norfolk) for visitor promotion and advertising for conventions and tourism and Norfolk Consortium (see Outside Agencies section).



The City Manager's proposed budget includes a five-cent increase in the cigarette tax rate from 80 cents to 85 cents per pack of 20 cigarettes. Revenue from the rate hike will be dedicated for economic development initiatives, same as in FY 2015 (see Central Appropriations section). Among the seven major cities in the region, Norfolk currently has the third highest rate behind Hampton, Newport News, and Portsmouth. The increase would put Norfolk among the second highest with Hampton and Newport News. As of printing of the document, only Norfolk has proposed an increase. The five-cent increase is estimated to generate $439,000; however, the increase in total revenue is less, about $300,000 (from $7.9 to $8.2 million), due to a declining revenue base. Cigarette taxes make up about 1.0 percent of General Fund revenues. It is important to note revenue generated from these rate increases tends to be short-lived. This is because tax increases may induce smokers to stop or reduce cigarette use or buy their cigarettes elsewhere. According to the Tax Foundation, cigarettes are highly susceptible to border shopping because the cost of transporting them is so low.



Business license taxes are collected from anyone who engages in a business, trade, profession, or occupation in the city. It is generally imposed as a percentage of gross receipts generated within a calendar year. It is also applied to individuals that maintain a place of business, either permanent or temporary, or conduct a business-related activity. Business license tax rates vary depending on business classification and amount of gross receipts generated. Norfolk's rates are at the state maximum allowed for the main business classifications. Revenue collections in recent years have been reduced by higher than average refunds of overpayments. In FY 2017, this revenue source makes up about 3.7 percent ($30.7 million) of General Fund revenues, which is projected to remain level from the FY 2016 budget but to increase by about 4.2 percent ($1.2 million) from the FY 2016 year-end projection.

Permits and Fees

Permits are issued to regulate new construction and ensure public safety. Revenues from this source comprised of fees for permits, licenses and other privileges subject to city regulation, partially to cover the expense of providing regulatory services (taxi permits, zoning inspections, construction permits, right-of-way, etc.) in the city. Permits and fees are projected to be 0.4 percent ($3.0 million) of General Fund revenues and is 5.9 percent ($0.2 million) below the FY 2016 budget but is above the FY 2016 year-end projection by about 3.1 percent ($0.1 million), reflecting a slight increase in the current activity level.

Fines and Forfeitures

Fines and forfeitures in the General Fund mainly consist of revenues received from the courts as fines and forfeitures for violations of city ordinances. These provide about 0.2 percent ($1.3 million) of General Fund revenues. The FY 2017 estimate is 10.1 percent ($117,000) above the FY 2016 budget. Citywide, fines and forfeitures total nearly $4.0 million of revenues from all operating funds. The majority (about two-thirds) of the citywide amount are generated from parking fines which support the Parking Enterprise Fund (nongeneral fund).

Use of Money and Property

Revenue from use of money and property is comprised primarily of interest earned on cash balances, rents from short-term and long-term property leases, and prudent management of city assets. Revenue from this source represents about 0.9 percent ($7.6 million) of General Fund revenues and is 2.7 percent ($0.2 million) above the FY 2016 budget. The decline from FY 2015 ($9.9 million) reflects one-time revenue from the Norfolk Airport Authority.

Charges for Services

Charges for services include fees charged for various programs and services such as, recreation centers, Virginia Zoo, judicial services, paramedical rescue, school activities, Cruise Ship Terminal, and National Maritime Center. Charges for services make up about 3.1 percent ($25.7 million) of General Fund revenues and is 4.5 percent ($1.1 million) above the FY 2016 budget. The increase was primarily due to paramedic rescue fee collections, Norfolk Community Services Board charges, and Zoo admission fees. However, most of the revenue collected citywide are charges for services provided by nongeneral funds. Citywide, charges for services make up nearly $300 million (over ten times the General Fund amount) and are mostly from user fees for utilities, storm water, and refuse disposal. The rates for these user fees are set to ensure operations are fully supported by the fees collected.

Miscellaneous Revenue

Miscellaneous revenue consists of revenues not classified in other categories. Included in this category are revenue from payments in lieu of taxes, fee for services provided to the U.S. Navy for the housing public-private venture, and land sales. The city is estimated to receive $8.7 million in FY 2017, which represents approximately 1.1 percent of General Fund revenues and is 1.2 percent ($106,000) above the FY 2016 budget. The FY 2017 estimate reflects an increase in the payment in lieu of taxes and a grant to the city.

Recovered Costs

Recovered costs consist of revenue from nongeneral funds, partner agencies and the public for certain expenses such as, indirect cost, employee compensation, debt service, and communications and technology. Recovered

costs make up about 1.5 percent ($12.1 million) of General Fund revenues and is 6.4 percent ($0.7 million) above the FY 2016 budget. The increase was mostly from the cost allocation plan, Norfolk Employees' Retirement System cost recovery, and distribution of IMPACT call center operating costs to nongeneral fund departments.

Non-Categorical Aid - Virginia

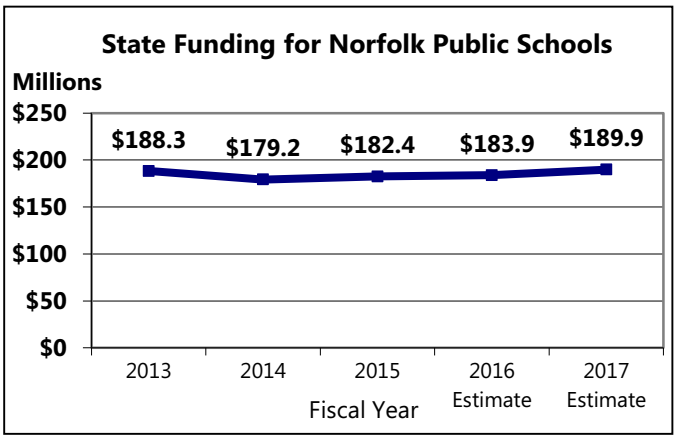
Non-Categorical aid consist of state revenues without restriction as to use. In FY 2017, non-categorical aid is estimated to be 4.1 percent ($33.7 million) of General Fund revenues and is 3.5 percent ($1.1 million) above the FY 2016 budget. The FY 2017 estimate was based on 2016 General Assembly actions, which increased the HB 599 appropriation by 3.2 percent to be in line with the increase in state revenues (fulfilling statutory requirements) and the car rental tax distribution which is collected by the Virginia Department of Taxation for localities.

Shared Expenses

Shared expenses consist of recovered costs from the Commonwealth for a portion of the salaries and benefits of constitutional and other offices serving the Norfolk community, including the Norfolk Electoral Board, Sheriff, City Treasurer, Commissioner of the Revenue, Clerk of the Circuit Court, and Commonwealth's Attorney. This revenue category makes up about 2.5 percent ($21.1 million) of General Fund revenues and is 0.3 percent ($59,000) above the FY 2016 budget. The FY 2017 estimate is based on 2016 General Assembly actions. Although the FY 2017 estimate includes additional funds from the state for a salary increase effective in December 2016, the increase was partly offset by a reduction in funding for Commonwealth's Attorney state positions based on the state Compensation Board staffing standards and one-time funding provided in FY 2016 for the presidential primary.

State Categorical Aid

Categorical aid from the Commonwealth consists mainly of revenues earmarked for Norfolk Public Schools, public assistance grants and social service programs, Norfolk Community Services Board (NCSB), Virginia Department of Transportation (VDOT) funding for street maintenance and localities that host port-owned facilities, and local adult correctional facility. State categorical aid makes up about 31.5 percent ($261.5 million) of General Fund revenues and is 2.9 percent ($7.4 million) above the FY 2016 budget, with the increase mostly for Norfolk Public Schools. The FY 2017 estimates are based on 2016 General Assembly actions.



The majority of state categorical aid is earmarked for Norfolk Public Schools, about $189.9 million of the $261.5 million in FY 2017. Categorical aid for Norfolk Public Schools includes the state sales and use tax and state school funds. State sales and use tax for schools is the revenue from the city's proportionate share of the state sales and use tax designated for public education. Since July 1, 2012, the city's share of the state sales and use tax is based on the population estimate provided by the Weldon Cooper Center for Public Service at the University of Virginia. Additionally in FY 2014, state sales and use tax dedicated to public education increased to 1⅜ cent due to the statewide transportation bill. Prior to FY 2014, 1¼ cent of the state sales and use tax was dedicated to public education, which reflected the change in FY 2005 when half of the one-half cent sales and use tax increase approved by the General Assembly was earmarked for local school divisions and real estate tax relief. Half of that quarter percent is distributed in the manner discussed above. The other half of the quarter percent goes to support the Standards of Quality (SOQ), which is included in state school funds. State school funds reflect schools operational costs. The rate of reimbursements is based on

the SOQ formula with reimbursement rates varying by program and area of emphasis. Changes in enrollment figures affect this revenue source. Localities are required to match the state contribution based on a composite index. Currently, Norfolk provides more than its required share of local effort.

Categorical aid also includes the state reimbursements for the cost of operating the Department of Human Services and Norfolk Community Services Board, estimated to be $32.1 million and $11.0 million, respectively, in FY 2017. State aid are tied to operating costs that include the cost of personnel, fringe benefits, nonpersonal services, rent for buildings and parking, etc. The reimbursement rate of the overall costs varies by program.

The FY 2017 jail per diem estimate is approximately $2.6 million, based on the estimate from the state Compensation Board. The FY 2017 estimate is 8.1 percent ($0.2 million) above the FY 2016 budget. The increase was not due to a change in the jail per diem rates but was due to a change in the funding method. In prior years, the General Assembly did not appropriate the full estimated cost for jail per diem statewide and the funding shortfall were addressed in the mid-biennium or caboose budget. For the 2016-2018 biennium, the amount appropriated is based on the estimated cost of jail per diems. However, if the appropriation falls short due to statewide inmate population being higher than anticipated, the Compensation Board will prorate the amounts distributed to local jails. The last time jail per diem rates were changed was during the 2010 session of the General Assembly. Since March 1, 2010, per diem payments for local responsible inmates in local or regional jails was reduced to $4.00 per day from $8.00 per day, while the per diem payments for state inmates housed in local jails was changed to $12.00 per day from $8.00 or $14.00 per day (reflecting the $6.00 bonus payment for certain state inmates). Payment for jail contract beds fell to $8.00 per day from $14.00 per day. The changes in the per diem rates resulted in about a $2.0 million decline in jail per diem funding to the city.

Categorical aid also includes funds received from VDOT for street construction and maintenance and funding for localities that host Virginia Port Authority owned real estate, estimated to be $24.2 million and $0.6 million, respectively, in FY 2017. The funds for street construction and maintenance are received from VDOT to maintain the city's principal and minor arterials, collector roads and local streets based on moving lane miles. The revenue is based on a statewide maintenance index of the unit costs used on roads and bridges. Changes in the index are used to calculate and implement annual per-land-mile rates. The rates fluctuate on index changes and number of miles assessed. These funds offset qualifying operating costs recorded in the city's budget.

Federal Aid

Aid from the federal government primarily includes funds for Norfolk Public Schools and Norfolk Community Services Board. In FY 2017, federal aid is about 1.0 percent ($8.5 million) of General Fund revenues and is 2.6 percent ($0.2 million) below the FY 2016 budget. The decrease was mostly in federal aid for Norfolk Community Services Board (about $0.2 million).

Other Sources and Transfers In

Other sources and transfers in consist of intra-governmental transfers and carryforward funds. In FY 2017, other sources and transfers make up about 2.6 percent ($21.9 million) of General Fund revenues and is 5.7 percent ($1.3 million) less than the FY 2016 budget. Other sources and transfers in includes: transfers in from nongeneral funds (about $16.5 million from Utilities, Waste Management, Public Amenities, and Tax Increment Financing) and carrying forward prior year and current year savings by city departments and Norfolk Public Schools and closeout of accounts ($5.4 million). The decrease from FY 2016 was largely from Norfolk Public Schools carryforward ($3.3 million), which was offset partly by the transfer in from Public Amenities Fund ($2.0 million) to support the Norfolk Consortium beginning in FY 2017 (see Outside Agencies section).

APPROPRIATIONS

Department	FY 2017 Proposed
GENERAL FUND	
LEGISLATIVE	
City Council	381,397
City Clerk	1,505,909
City Real Estate Assessor	2,087,667
City Auditor	959,640
Total Legislative	**4,934,613**
EXECUTIVE	
City Manager	2,292,447
Office of Budget and Strategic Planning	1,483,079
Office of Resilience	334,952
Total Executive	**4,110,478**
DEPARTMENT OF LAW	**4,499,892**
CONSTITUTIONAL OFFICERS	
Commissioner of the Revenue	3,050,725
City Treasurer	2,409,856
Clerk of the Circuit Court	3,191,350
Commonwealth's Attorney	5,473,398
Sheriff and Jail	41,187,882
Total Constitutional Officers	**55,313,211**
JUDICIAL	
General District Court	267,742
Juvenile and Domestic Relations Court	79,793
Circuit Court Judges	779,524
Norfolk Juvenile Court Service Unit	166,224
Magistrate	11,438
Total Judicial	**1,304,721**
ELECTIONS	**895,986**
GENERAL MANAGEMENT	
Communications and Technology	13,660,136
Finance	4,448,534
General Services	24,399,559
Human Resources	3,496,562
Total General Management	**46,004,791**

Department	FY 2017 Proposed
COMMUNITY DEVELOPMENT	
City Planning	4,962,151
Neighborhood Development	4,154,653
Development	2,032,161
Total Community Development	**11,148,965**
PARKS, RECREATION AND CULTURE	
Libraries	11,689,510
Cultural Facilities, Arts and Entertainment	5,703,491
Zoological Park	4,196,666
The National Maritime Center	5,043,780
Recreation, Parks and Open Space	17,379,157
Total Parks, Recreation and Culture	**44,012,604**
CENTRAL AND OUTSIDE AGENCY APPROPRIATIONS	
Central Appropriations	17,699,751
Outside Agencies	42,674,365
Total Central and Outside Agency Appropriations	**60,374,116**
PUBLIC HEALTH AND ASSISTANCE	
Norfolk Community Services Board	26,020,634
Office to End Homelessness	286,951
Public Health	3,468,419
Human Services	47,155,952
Total Public Health and Assistance	**76,931,956**
PUBLIC SAFETY	
Police	68,500,916
Fire-Rescue	42,592,138
Total Public Safety	**111,093,054**
PUBLIC WORKS	**26,702,280**
DEBT SERVICE	**65,747,190**
PUBLIC SCHOOL EDUCATION (Norfolk Public Schools)	**318,187,143**
Total General Fund	**831,261,000**

Department	FY 2017 Proposed
SPECIAL REVENUE FUNDS	
Storm Water Management	16,528,966
Towing and Recovery Operations	1,749,965
Cemeteries	2,093,216
Golf Operations	15,000
Public Amenities	6,365,000
Emergency Preparedness and Response	6,188,634
Tax Increment Financing	5,503,639
Waste Management	22,675,679
Total Special Revenue Funds	**61,120,099**
ENTERPRISE FUNDS	
Water Utility	84,355,031
Wastewater Utility	30,808,291
Parking Facilities Fund	22,873,076
Total Enterprise Funds	**138,036,398**
INTERNAL SERVICE FUNDS	
Healthcare	89,943,167
Fleet Management	11,533,433
Total Internal Service Funds	**101,476,600**
TOTAL CITY OPERATIONS	**1,131,894,097**
TOTAL CAPITAL IMPROVEMENT PLAN	**83,029,200**
TOTAL APPROPRIATIONS	**1,214,923,297**

Selected Tax Rates and Fees

Description	FY 2016 Approved	FY 2017 Proposed
PROPERTY TAXES		
Real Estate (General Tax)	$1.15/$100 Assessed Value	$1.15/$100 Assessed Value
Real Estate (Downtown Improvement District)	$1.31/$100 Assessed Value	$1.31/$100 Assessed Value
Personal Property		
Airplane	$2.40/$100 Assessed Value	$2.40/$100 Assessed Value
Motor Vehicle	$4.33/$100 Assessed Value	$4.33/$100 Assessed Value
Recreational Vehicle	$1.50/$100 Assessed Value	$1.50/$100 Assessed Value
Business Furniture, Fixtures, and Equipment	$4.33/$100 Assessed Value	$4.33/$100 Assessed Value
Watercraft - Business	$1.50/$100 Assessed Value	$1.50/$100 Assessed Value
Watercraft - Recreational	$0.50/$100 Assessed Value	$0.50/$100 Assessed Value
Machinery & Tools	$4.25/$100 Assessed Value	$4.25/$100 Assessed Value
OTHER LOCAL TAXES		
Amusement and Admissions	10%	10%
Cigarette	**80 cents/pack of 20 cigarettes (40 mils/cigarette)**	**85 cents/pack of 20 cigarettes (42.5 mils/cigarette)**
Emergency 911 (Landline)	Replaced by the statewide E-911 tax rate of $0.75/line/month	Replaced by the statewide E-911 tax rate of $0.75/line/month
Hotel/Motel Lodging	8%	8%
Bed Tax	$2 per room night	$2 per room night
Food and Beverage	6.5%	6.5%
Motor Vehicle License:		
Small Trailers (<2,000 pounds)	$11.50	$11.50
Motorcycles	$20.00	$20.00
Cars and Small Trucks	$31.00	$31.00
Mid-Size Trucks/Vans (>4,000 pounds)	$36.00	$36.00
Large Vehicles (over 19,000 pounds)	$1.60-$1.80/1,000 pounds of gross weight (additional $5 flat fee)	$1.60-$1.80/1,000 pounds of gross weight (additional $5 flat fee)

Description	FY 2016 Approved	FY 2017 Proposed
REFUSE DISPOSAL		
Residential		
Single or Multiple Units (four units or less)	$28.01/unit/month	$28.01/unit/month
Multiple Units (five units or more)	$46.94/container/month	$46.94/container/month
Commercial		
Business 1 times per week	$61.18/unit/month	$61.18/unit/month
Business 5 times per week	$151.64/unit/month	$151.64/unit/month
Combined Commercial and Residential	$89.19/unit/month	$89.19/unit/month
WATER AND WASTEWATER FEES		
Water	**$4.61/100 cubic feet**	**$4.77/100 cubic feet**
Wastewater	**$3.82/100 cubic feet**	**$3.97/100 cubic feet**
Utilities service charge	$0/month	$0/month
STORM WATER FEES (rate calculated based on a 30-day month)		
Residential	**$11.80/month**	**$12.13/month**
Commercial	**$8.74/month per 2,000 sq. ft.**	**$8.95/month per 2,000 sq. ft.**
UTILITY TAXES		
Commercial		
Gas	Rate/month: $3.225 + $0.167821/CCF 0-70 CCF + $0.161552/CCF 71-430 CCF + $0.15363/CCF on balance (maximum of $500/month)	Rate/month: $3.225 + $0.167821/CCF 0-70 CCF + $0.161552/CCF 71-430 CCF + $0.15363/CCF on balance (maximum of $500/month)
Electricity (Manufacturing)	Rate/month: $1.38 + $0.004965/kWh 0-3,625,100 kWhs + $0.004014/kWh on balance (maximum of $53,000/month)	Rate/month: $1.38 + $0.004965/kWh 0-3,625,100 kWhs + $0.004014/kWh on balance (maximum of $53,000/month)
Electricity (Non-Manufacturing)	Rate/month: $2.87 + $0.017933/kWh 0-537 kWh + $0.006330/kWh on balance	Rate/month: $2.87 + $0.017933/kWh 0-537 kWh + $0.006330/kWh on balance
Telephone (Cellular, Landline)	Replaced by the State Communications Sales & Use Tax 5% of sales price of services	Replaced by the State Communications Sales & Use Tax 5% of sales price of services
Water	25% on first $75, plus 15% of bill in excess of $75	25% on first $75, plus 15% of bill in excess of $75
Residential		
Cable and Satellite Service Telephone (Cellular, Landline)	Replaced by the State Communications Sales & Use Tax	Replaced by the State Communications Sales & Use Tax
Electricity	$1.75 + $0.016891/kWh monthly (capped at $3.75/month)	$1.75 + $0.016891/kWh monthly (capped at $3.75/month)
Gas	$1.50/month	$1.50/month
Water (5/8" Meter)	25% on first $22.50/month	25% on first $22.50/month

General Fund Balance Reserves

The establishment and maintenance of general operating reserves is considered one of the most effective management practices a local government can employ. City Council passed a resolution in July 2013 updating the city's policies on reserves, described in the "Financial Policies and Practices" section of the Budget Overview.

The purpose of a reserve is to act as the city's "savings" account to meet emergency, unanticipated needs without jeopardizing the ongoing provision of city services. Reserves help to cushion against cash flow challenges as seen in FY 2004 with the significantly large unexpected expenses of Hurricane Isabel when the city appropriated $22.2 million from the General Fund undesignated fund balance to provide an interim source of funding for emergency costs. The appropriate size of reserves depends on variability of revenues and expenditures and an organization's cash flow needs.

Because the city is self-insured, the Risk Management Reserve was created in the event of a major unanticipated workers compensation or general liability claim. In FY 2008, the balance in the Risk Management Reserve was reduced by $4.9 million from $5,740,162 to $840,162 to settle a major general liability claim. In FY 2010, City Council approved adding $1,058,409 from the FY 2008 and FY 2009 year-end undesignated funds in accordance with the city's practice to replenish the Risk Management Reserve. During the FY 2013 budget work session, City Council strengthened reserves further by raising the total General Fund balance reserves from $45,457,834 to $48,332,591. In FY 2015 and in FY 2016, City Council appropriated from year-end surpluses $2.0 million in each year to the Risk Management and Economic Downturn reserves, bringing both to its financial policy goal, and the projected General Fund balance reserves to $52,332,591 in FY 2016.

General Fund Balance Reserves

Reserve	FY 2015 Actual	FY 2016 Minimum	FY 2016 Projected
Unassigned Reserve ("five percent reserve")[1]	$42,332,591	$40,943,956	$42,332,591
Risk Management Reserve[2]	$4,000,000	$3 - $5 million	$5,000,000
Economic Downturn Reserve[2]	$4,000,000	$3 - $5 million	$5,000,000
General Fund Balance Reserves at June 30[3]	**$50,332,591**		**$52,332,591**

[1] The minimum for the FY 2016 unassigned reserve of $40,943,956 is based on the amended FY 2016 General Fund Budget of $818,879,121.

[2] In July 2013, City Council passed a resolution setting the goal for the Risk Management Reserve and Economic Downturn Reserve at an amount not to exceed $5.0 million and no less than $3.0 million.

[3] The amounts above exclude reserves for encumbrances and other legally restricted reserves and designations for specific appropriations.

Transfers From/To

The tables below present certain fund to fund transfers in FY 2017 which include: General Fund support of capital projects and special revenue funds; transfers from enterprise activities and special revenue funds to the General Fund; and cash contribution from General Fund and nongeneral funds for capital projects.

Transfer from General Fund to	FY 2017
Capital Improvement Program	1,447,393
Cemetery Fund	439,088
Emergency Preparedness and Response Fund	1,004,005
Total Transfers from General Fund	**2,890,486**

Transfer to General Fund from	
Public Amenities Fund	2,000,000
Tax Increment Financing Fund	3,985,591
Waste Management Fund	500,000
Wastewater Utility Fund	1,500,000
Water Utility Fund	8,500,000
Total Transfers to General Fund	**16,485,591**

Transfer to Capital Improvement Program from	
General Fund	1,447,393
Parking Facilities Fund	2,900,000
Public Amenities Fund	1,000,000
Storm Water Fund	1,315,200
Water Utilities Fund	4,950,000
Total Transfers to the Capital Improvement Program	**11,612,593**

Full Time Equivalent (FTE) Staffing Summary

	FY 2015 Approved FTE	FY 2016 Approved FTE	FY 2017 Proposed FTE	Change FY 2016 to FY 2017
General Fund				
Budget and Strategic Planning	18	18	18	0
Circuit Court Judges	5	5	5	0
City Attorney	34	34	34	0
City Auditor	8	8	9	1
City Clerk	14	14	14	0
City Council	8	8	8	0
City Manager	15	15	14	-1
City Planning	60	63	65	2
City Real Estate Assessor	24	24	24	0
City Treasurer	31	31	31	0
Clerk of Circuit Court	49	49	49	0
Commissioner of the Revenue	42	42	42	0
Commonwealth's Attorney	63	61	58	-3
Communications and Technology	122.8	123	106	-17
Cultural Facilities, Arts & Entertainment	52	53	54	1
Development	21	19	20	1
Elections	6	6	6	0
Finance	43.8	43.8	48.8	5
Fire-Rescue	503	504	504	0
General Services	127.8	127.8	130	2.3
Human Resources	33	33	36	3
Human Services	498	525	525.5	0.5
Libraries	121.6	121.6	124.6	3
Neighborhood Development	36	37	56	19
Norfolk Community Services Board	283.2	284.9	283.9	-1
Office to End Homelessness	3.6	3	3	0
Office of Resilience[1]	0	0	3	3
Police	873	874	874	0
Public Health	25	10	11	1
Public Works	232	225	225	0
Recreation, Parks and Open Space	218.3	214.3	216.7	2.4
Sheriff and Jail	475	475	475	0
The National Maritime Center (Nauticus)	42.3	40.3	40.3	0
Zoological Park	45.1	47.1	51.1	4
Total General Fund	**4,133.4**	**4,138.7**	**4,164.8**	**26.1**

	FY 2015 Approved FTE	FY 2016 Approved FTE	FY 2017 Proposed FTE	Change FY 2016 to FY 2017
Special Revenue Funds				
Cemeteries	33.8	33.8	32.8	-1
Emergency Preparedness and Response	91	90	90	0
Storm Water Management	101.8	105.8	109	3.2
Towing and Recovery Operations	8.9	9.9	9.9	0
Waste Management	100	101	101	0
Total Special Revenue Funds	**335.4**	**340.4**	**342.7**	**2.2**
Enterprise Funds				
Parking Facilities	70	65	65	0
Wastewater Utility	104	106	105	-1
Water Utility	292.3	291.3	292.5	1.3
Total Enterprise Funds	**466.3**	**462.3**	**462.5**	**.3**
Internal Service Funds				
Fleet	56.8	56.8	56.8	0
Total Internal Service Funds	**56.8**	**56.8**	**56.8**	**0**
Total All Funds	**4,991.7**	**4,998.1**	**5,026.9**	**28.6**

Only permanent positions are reflected in the Budget Document.

[1]The Proposed FY 2017 Budget creates the Office of Resilience.

Totals and changes may not exactly add due to rounding to one decimal point.

City Indebtedness

The Virginia Constitution authorizes cities and counties in Virginia to issue general obligation bonds secured by a pledge of its full faith and credit. For the payment of such bonds, the governing body of the city is required to levy an ad valorem tax on all property subject to local taxation to ensure debt service payment. The issuance of general obligation bonds is subject to a limit of 10 percent of the assessed value of taxable real property in the city.

The Public Finance Act of Virginia authorizes a city in Virginia to issue limited liability revenue bonds provided that the rates, rents, fees or other charges are sufficient to pay the cost of operation and administration and the principal and interest on the bonds when due. In determining general obligation statutory debt limitations, certain classes of indebtedness may be excluded, including revenue anticipation notes maturing in one year or less, general obligation bonds payable from a specified revenue producing undertaking, so long as the undertaking is self-supporting, capital leases, and revenue bonds. The city's Wastewater enterprise operations finance capital needs through a combination of self-supporting, general obligation and revenue bonds and the water enterprise utilizes only revenue bonds for its financing needs. The city's Parking, Storm Water, Maritime and Towing and Recovery operations finance capital needs with self-supporting general obligation bonds.

The following table shows the estimated general obligation Legal Debt Margins for the current fiscal year as of June 30, 2016, and for the past four fiscal years

As of	Taxable Real Property Assessed Value (1)	Debt Limit: 10% of Assessed Value	Debt Applicable to Debt Limit	Amount of Debt as % of Debt Limit	Legal Margin for Additional Debt
June 30, 2016 (2) (3)	$19,089,391,956	$1,908,939,196	$921,267,937	48.26%	$987,671,259
June 30, 2015	18,734,201,726	1,873,420,173	914,299,379	48.80%	959,120,794
June 30, 2014	18,421,412,121	1,842,141,212	912,700,343	49.55%	929,440,869
June 30, 2013	18,319,948,478	1,831,994,848	818,068,050	44.65%	1,013,926,798
June 30, 2012	18,676,730,533	1,867,673,053	877,060,431	46.96%	990,612,622

(1)The figure includes the assessed valuation of the following properties: public service corporations (as assessed by the State Corporation Commission and the Virginia Department of Taxation); and residential, commercial, apartments and vacant land (as assessed by the City Assessor).
(2)Taxable Real Property Assessed Value is estimated as of March 31, 2016.
(3)Projected Debt Applicable to Debt Limit excludes $403,131,015 of General Obligation Bonds authorized by ordinance for Capital Improvement Projects, but not yet issued.

Overlapping Debt

The City of Norfolk is autonomous and independent of any county or other political subdivision and is not subject to taxation by any county or school district, nor is it liable for any county or school division indebtedness. There is no overlapping debt.

Statement of No Past Default

The city has never defaulted on the payment of either principal or interest on any debt.

Outstanding Debt

Debt service for General Capital Improvements is funded from the General Fund. The debt of the enterprise and other fee-supported operations are paid from the respective revenues. The estimated total outstanding bonded indebtedness, including revenue bonds, at the end of FY 2016 is estimated to be $1,195,704,825.

General Capital Improvements–Affordability Measures

The Capital Improvement Plan for General Capital Improvements (bonds not supported by self-supporting user fees) is guided by two measures of affordability. These measures or debt limits, based on the approved Capital Improvement Plan, are as follows:

- Debt Service as a percent of the General Fund budget (not to exceed 10 percent)
- Net debt as a percent of taxable property (not to exceed 3.5 percent)

The FY 2017 Capital Improvement Plan is within the two measures of affordability listed above. However, the city will need to maintain a moderate Capital Improvement Plan to stay within these measures as it finances some major essential governmental projects, such as a new city courthouse, several schools and a new main library.

Enterprise Operations Debt

Norfolk's Water and Wastewater Revenue Bond programs are governed by bond indentures of trust and financing agreements, which specify debt coverage requirements for their respective operations. Each of the revenue bond programs are backed by the revenues of their respective system. The city has covenanted that it will establish, fix, charge and collect rates, fees and other charges so that in each Fiscal Year Net Revenues are not less than the debt service coverage requirement. All revenue bond programs, historically and estimated for FY 2017 meet debt coverage requirements. As previously noted, outstanding Wastewater bonds are a combination of general obligations of the city and revenue bonds and Water bonds are solely revenue bonds. The city's Parking operations finance capital needs with self-supporting general obligation bonds. As a matter of practice, the city pays such general obligation bonds from its respective enterprise activities. In the event that money in the respective funds is not sufficient to pay debt service on the general obligations, the city is obligated to pay such debt service from the General Fund or other available revenues.

Bond Ratings

Bond or credit ratings are an independent opinion of the general creditworthiness of an issuer, such as the city, based on relevant risk factors. Long-term general obligation ratings are based on an issuer's ability and willingness to repay fully the principal and interest of its debt obligations, on a timely basis. Municipal credit ratings are primarily based on four main factors: the issuer's financial position, the issuer's current and future debt burden, financial management and the economy. Often an investor places significant emphasis on a bond's credit rating to help evaluate a price or willingness to hold the investment.

Each of the three major credit rating agencies in the U.S.: Moody's Investors Service ("Moody's"), Standard and Poor's ("S&P") and Fitch Ratings ("Fitch") applies its own methodology in measuring creditworthiness and uses a specific rating scale to communicate its ratings opinions. Typically, ratings are expressed as letter grades that range, for example, from 'AAA' to 'D' to communicate the agency's opinion of relative level of credit risk. Credits are

further distinguished with "notches" within each rating category. Credit ratings for the city's General Obligation and Water Revenue Bond programs are as follows:

Bonding Program	Moody's Investors Service	Standard and Poor's	Fitch Ratings
General Obligation	Aa2	AA+	AA+
Water Revenue	Aa2	AA+	AA+

Norfolk's rating on its General Obligations Bonds of Aa2/AA+/AA+ and its Water Revenue Bonds of Aa2/AA+/AA+ are very strong. S&P upgraded the City's General Obligation bond rating from "AA" to "AA+" in September 2013. In general, AA category rating signifies very high quality bonds with some elements of long-term risks.

The city's Wastewater Revenue Bonds do not maintain an underlying, or stand-alone unenhanced, credit rating.

Computation of Legal Debt Margin

June 30, 2016 (Estimated)		
Total Assessed Value of Taxed Real Property as of March 31, 2016		$19,089,391,956
Debt Limit: 10 percent of Total Assessed Value		$1,908,939,196
Amount of Debt Applicable to Debt Limit:(1)(2)(3)		
Gross Debt	$796,267,937	
Line of Credit	$125,000,000	$921,267,937
Legal Debt Margin		$987,671,259
Amount of Debt as a percent of Debt Limit		48.26%

(1) Includes all nongeneral fund supported General Obligation debt such as Wastewater, Parking, Storm Water, Maritime, and Towing and Recovery Operations.

(2) The Legal Debt Margin computation does not include any revenue-based debt issued by the city, because such debt is not subject to the Commonwealth's Constitutional Debt Limit.

(3) Excludes $403,131,015 of General Obligation Bonds authorized by ordinance for Capital Improvement Projects, but not yet issued.

YEARLY MATURITY OF LONG-TERM DEBT

Fiscal Year	General Obligation (1) (2)			General Obligation Equipment(1)			Water Revenue(1)		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	51,024,915	34,321,242	85,346,157	2,345,460	526,780	2,872,240	10,090,000	15,988,725	26,078,725
2018	54,281,036	32,094,404	86,375,440	940,000	474,929	1,414,929	13,860,000	15,405,600	29,265,600
2019	55,560,468	29,857,895	85,418,363	2,775,000	383,625	3,158,625	14,200,000	14,714,975	28,914,975
2020	54,951,803	27,645,911	82,597,713	2,785,000	247,367	3,032,367	13,830,000	14,025,550	27,855,550
2021	52,823,982	25,329,620	78,153,602	2,790,000	109,658	2,899,658	15,965,000	13,292,450	29,257,450
2022	51,554,164	23,110,503	74,664,666	365,000	32,325	397,325	17,170,000	12,485,575	29,655,575
2023	50,655,511	20,918,029	71,573,540	380,000	15,300	395,300	18,675,000	11,611,375	30,286,375
2024	49,283,055	18,761,333	68,044,388	120,000	4,400	124,400	19,785,000	10,662,975	30,447,975
2025	44,980,042	16,703,196	61,683,238	-	-	-	17,820,000	9,736,475	27,556,475
2026	42,704,056	14,683,947	57,388,003	-	-	-	18,900,000	8,832,650	27,732,650
2027	41,749,176	12,704,693	54,453,869	-	-	-	11,710,000	8,078,950	19,788,950
2028	36,779,270	10,915,503	47,694,773	-	-	-	12,370,000	7,485,725	19,855,725
2029	27,065,000	9,400,279	36,465,279	-	-	-	13,140,000	6,856,975	19,996,975
2030	27,995,000	7,983,763	35,978,763	-	-	-	8,300,000	6,330,213	14,630,213
2031	27,930,000	6,596,910	34,526,910	-	-	-	8,965,000	5,912,200	14,877,200
2032	14,990,000	5,180,635	20,170,635	-	-	-	9,245,000	5,475,300	14,720,300
2033	26,090,000	4,113,496	30,203,496	-	-	-	7,600,000	5,063,819	12,663,819
2034	14,195,000	3,205,237	17,400,237	-	-	-	8,000,000	4,674,213	12,674,213
2035	10,935,000	2,604,322	13,539,322	-	-	-	8,450,000	4,263,244	12,713,244
2036	11,135,000	2,066,424	13,201,424	-	-	-	8,905,000	3,832,213	12,737,213
2037	11,060,000	1,518,224	12,578,224	-	-	-	7,950,000	3,418,131	11,368,131
2038	12,080,000	947,423	13,027,423	-	-	-	8,370,000	3,022,306	11,392,306
2039	8,490,000	474,867	8,964,867	-	-	-	8,810,000	2,608,263	11,418,263
2040	1,245,000	235,709	1,480,709	-	-	-	6,990,000	2,232,019	9,222,019
2041	1,260,000	174,294	1,434,294	-	-	-	7,325,000	1,899,731	9,224,731
2042	1,280,000	112,069	1,392,069	-	-	-	7,690,000	1,533,488	9,223,488
2043	1,295,000	49,034	1,344,034	-	-	-	8,095,000	1,127,488	9,222,488
2044	375,000	8,672	383,672	-	-	-	8,525,000	695,494	9,220,494
2045	-	-	-	-	-	-	8,985,000	235,856	9,220,856
2046	-	-	-	-	-	-	-	-	-
	783,767,477	**311,717,633**	**1,095,485,110**	**12,500,460**	**1,794,384**	**14,294,844**	**329,720,000**	**201,501,975**	**531,221,975**

Yearly Maturity of Long-Term Debt (Continued)

Fiscal Year	Wastewater Revenue[1]			Totals[1]		
	Principal	Interest	Total	Principal	Interest	Total
2017	3,519,967	-	3,519,967	66,980,342	50,836,747	117,817,089
2018	3,919,967	-	3,919,967	73,001,003	47,974,933	120,975,936
2019	4,069,967	-	4,069,967	76,605,435	44,956,495	121,561,930
2020	4,069,967	-	4,069,967	75,636,769	41,918,827	117,555,597
2021	4,069,967	-	4,069,967	75,648,949	38,731,728	114,380,677
2022	4,069,967	-	4,069,967	73,159,131	35,628,403	108,787,533
2023	4,069,967	-	4,069,967	73,780,478	32,544,704	106,325,182
2024	4,069,967	-	4,069,967	73,258,022	29,428,708	102,686,730
2025	4,069,967	-	4,069,967	66,870,009	26,439,671	93,309,680
2026	4,069,967	-	4,069,967	65,674,023	23,516,597	89,190,620
2027	4,069,967	-	4,069,967	57,529,143	20,783,643	78,312,786
2028	4,069,967	-	4,069,967	53,219,236	18,401,228	71,620,464
2029	4,069,967	-	4,069,967	44,274,967	16,257,254	60,532,221
2030	3,644,967	-	3,644,967	39,939,967	14,313,976	54,253,943
2031	3,219,967	-	3,219,967	40,114,967	12,509,110	52,624,077
2032	2,844,967	-	2,844,967	27,079,967	10,655,935	37,735,902
2033	2,344,967	-	2,344,967	36,034,967	9,177,315	45,212,282
2034	2,112,467	-	2,112,467	24,307,467	7,879,450	32,186,916
2035	1,589,983	-	1,589,983	20,974,983	6,867,566	27,842,549
2036	1,050,000	-	1,050,000	21,090,000	5,898,636	26,988,636
2037	550,000	-	550,000	19,560,000	4,936,355	24,496,355
2038	150,000	-	150,000	20,600,000	3,969,729	24,569,729
2039	-	-	-	17,300,000	3,083,129	20,383,129
2040	-	-	-	8,235,000	2,467,728	10,702,728
2041	-	-	-	8,585,000	2,074,025	10,659,025
2042	-	-	-	8,970,000	1,645,556	10,615,556
2043	-	-	-	9,390,000	1,176,522	10,566,522
2044	-	-	-	8,900,000	704,166	9,604,166
2045	-	-	-	8,985,000	235,856	9,220,856
2046	-	-	-	-	-	-
	69,716,888	**-**	**69,716,888**	**1,195,704,825**	**515,013,992**	**1,710,718,817**

(1) Existing Debt Service as of June 30, 2016. Excludes any future issuances.
(2) General Obligation bonds have been used to finance Wastewater, Parking, Storm Water, Maritime, and Towing and Recovery projects. The bonded debt associated with those projects is self-supported by the respective funds. The Debt Service portion of the General Fund budget finances only General Capital projects and not its self-supporting funds.

General Fund Revenues

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General Fund Revenue Summary

Revenue Source	FY 2015 Actual	FY 2016 Approved	FY 2016 Year-End Estimate	FY 2017 Proposed
GENERAL PROPERTY TAXES				
Real Property Taxes				
Current	191,845,055	192,665,600	194,294,500	197,344,000
Delinquent	5,302,716	5,000,000	5,300,000	5,400,000
Interest	464,077	500,000	460,000	485,000
Real Estate Tax Refunds	-541	-25,000	-25,000	-25,000
Subtotal - Real Property Taxes	**197,611,307**	**198,140,600**	**200,029,500**	**203,204,000**
Downtown Improvement District				
Current, Delinquent, and Interest	1,868,153	1,851,900	1,851,900	1,880,000
Public Service Corporations				
Current, Delinquent, and Interest	9,264,076	8,926,000	9,353,500	9,355,000
Total All Real Property Taxes	**208,743,536**	**208,918,500**	**211,234,900**	**214,439,000**
Personal Property				
Current	33,947,212	33,290,000	33,600,000	34,300,000
Delinquent	9,199,523	9,500,000	9,000,000	9,200,000
Interest	458,499	580,000	425,000	460,000
Personal Property Tax Refund	788,513	-300,000	-300,000	-200,000
Subtotal - Personal Property	**44,393,747**	**43,070,000**	**42,725,000**	**43,760,000**
Public Service Corporations				
Current, Delinquent, and Interest	71,133	111,000	50,000	60,000
Total All Personal Property Taxes	**44,464,880**	**43,181,000**	**42,775,000**	**43,820,000**
Mobile Home				
Current, Delinquent, and Interest	13,038	16,000	16,000	17,000
Machinery and Tools				
Current	5,695,316	5,620,000	5,620,000	5,650,000
Delinquent	53,895	80,000	250,000	100,000
Interest	4,264	6,000	6,000	6,000
Subtotal - Machinery and Tools	**5,753,475**	**5,706,000**	**5,876,000**	**5,756,000**
Total General Property Taxes	**258,974,929**	**257,821,500**	**259,901,900**	**264,032,000**
OTHER LOCAL TAXES				
Sales and Use	**29,981,259**	**31,400,000**	**30,300,000**	**31,400,000**
Consumer Utility Taxes				
Water	5,612,192	5,600,000	5,600,000	5,675,200
Electric	12,436,054	12,600,000	12,550,000	12,622,600
Gas	3,090,968	3,070,000	3,000,000	3,105,500

Revenue Source	FY 2015 Actual	FY 2016 Approved	FY 2016 Year-End Estimate	FY 2017 Proposed
Communications Sales Tax	18,262,293	18,300,000	17,800,000	18,000,000
Subtotal - Consumer Utility Taxes	**39,401,507**	**39,570,000**	**38,950,000**	**39,403,300**
Business Taxes				
Other Local Tax Refunds	-12,590	-30,000	-30,000	-20,000
Business License	28,640,356	30,729,948	29,500,000	30,730,000
Franchise	668,600	605,000	605,000	605,000
Bank Franchise	2,491,802	2,281,400	2,291,000	2,381,000
Subtotal - Business Taxes	**31,788,168**	**33,586,348**	**32,366,000**	**33,696,000**
Licenses and Decals				
Motor Vehicle	3,952,534	4,469,500	4,430,000	4,669,500
Boats	87,966	93,900	93,900	93,900
Subtotal - Licenses and Decals	**4,040,500**	**4,563,400**	**4,523,900**	**4,763,400**
Consumer Taxes				
Recordation	2,175,550	2,100,000	2,270,000	2,300,000
Cigarette	7,820,751	7,890,000	7,800,000	8,189,000
Admissions	4,286,735	4,000,000	3,750,000	4,000,000
Hotel/Motel Room	5,710,827	5,600,000	5,900,000	6,243,000
Hotel ($2 flat tax)	1,909,474	1,800,000	1,875,000	1,927,700
Restaurant Food	27,618,544	27,780,000	28,600,000	29,939,000
Estate Probate	41,822	45,000	40,000	40,000
Short Term Rental	92,188	174,000	125,000	125,000
Subtotal - Consumer Taxes	**49,655,891**	**49,389,000**	**50,360,000**	**52,763,700**
Total Other Local Taxes	**154,867,325**	**158,508,748**	**156,499,900**	**162,026,400**
PERMITS, FEES AND LICENSES				
Animal License	72,556	67,000	72,000	73,200
Burglar Alarm License	2,235	2,400	2,500	2,400
Residential Parking Decals[1]	31,602	0	0	0
Building Permit	603,402	725,000	570,000	620,000
Electrical Permit	345,693	370,000	350,000	350,000
Plumbing Permit	216,264	250,000	200,000	215,000
Plan Review Fee	180,352	160,000	140,000	150,000
Mechanical Code Inspection Fee	263,727	250,000	160,000	195,000
Elevator Inspection Fee	92,599	88,000	80,000	90,000
Technology Fee - Permits	74,494	80,000	80,000	80,000
Wetland Permit	4,875	8,000	4,500	6,000
Zoning Fees	180,205	170,000	195,000	175,000
Driveway Permit	20,385	20,400	25,000	25,000

Revenue Source	FY 2015 Actual	FY 2016 Approved	FY 2016 Year-End Estimate	FY 2017 Proposed
Utility Cut Permit	88,327	67,200	149,000	149,000
Special ROW/ Parking Permit	146,733	174,400	160,000	142,000
Street Construction Permit	126,987	215,800	145,000	138,000
Fire Permit	149,943	140,000	150,000	150,000
Fire Inspection	102,505	110,000	110,000	110,000
Precious Metal Dealer Permit	14,925	16,000	15,000	15,000
Excessive Size and Weight Permit	261,085	248,700	260,000	280,000
Taxi Operator Permit	7,950	13,000	11,000	11,000
Foot Race/Bicycle Race Permit	1,450	600	1,200	1,500
Yard/Garage Sale Permit	7,840	7,500	8,000	8,000
Registration Vacant Buildings Fee	11,750	6,500	23,000	16,000
Transfer Fees	5,492	5,500	5,500	5,500
Total Permits and Fees	**3,013,376**	**3,196,000**	**2,916,700**	**3,007,600**
FINES AND FORFEITURES				
Fines and Forfeitures	999,675	1,020,000	975,000	1,000,000
Fines - Red Light Cameras	178,912	60,000	180,000	180,000
Fees - Returned Checks	10,682	9,600	9,600	10,000
Excess Weight Penalties	22,919	18,000	60,000	35,000
Fines - False Alarm	49,030	50,000	50,000	50,000
Total Fines and Forfeitures	**1,261,218**	**1,157,600**	**1,274,600**	**1,275,000**
USE OF MONEY AND PROPERTY				
Interest on Investments	50,868	21,000	50,000	60,000
Other Interest	22,654	90,000	90,000	100,000
Rent - General Properties	6,599,027	4,104,050	4,104,050	4,193,059
Rent - Governor's Magnet School	8,794	7,500	8,000	8,000
Rent - Cultural Convention Center	124,320	100,000	100,000	100,000
Rent - Chrysler Hall	288,652	325,000	300,000	325,000
Rent - Virginia Stage Company (Wells Theatre)	22,351	12,000	20,000	12,000
Rent - Harrison Opera House	58,534	35,000	50,000	50,000
Rent - Harbor Park-Other	224,680	225,000	198,000	198,000
Rent - Special Programs	76,791	40,000	70,000	70,000
Sale of Salvage Materials	23,040	20,000	20,000	20,000
Sale of Fixed Assets	84,883	100,000	85,000	85,000
Rent - Equipment	31,437	46,000	46,400	46,400
Ticket System- Cultural Center	427,369	400,000	400,000	400,000
Rent - Picnic Shelters	30,470	28,000	30,000	32,000
Commissions - Jail Telephone	672,000	672,000	672,000	672,000

Revenue Source	FY 2015 Actual	FY 2016 Approved	FY 2016 Year-End Estimate	FY 2017 Proposed
Rent - Selden	88,434	120,000	50,000	26,800
Rent - Cruise Ship Terminal	380,623	389,340	389,340	436,000
Rent - Nauticus	82,600	52,500	52,500	65,900
Sales - Nauticus Merchandise	545,445	581,500	581,500	600,000
Rent - Slover	19,768	0	70,000	70,000
Total Use of Money and Property	**9,862,740**	**7,368,890**	**7,386,790**	**7,570,159**
CHARGES FOR SERVICES				
Court Costs	126,789	124,000	124,000	126,000
Courthouse Security Assessment	347,845	350,000	350,000	335,000
Courthouse Construction Fee	218,420	220,000	220,000	218,000
DNA Charges	1,712	2,500	2,500	2,500
Fees - High Constable	453,165	470,000	450,000	464,000
Jail Processing Fees	27,143	27,000	27,000	27,000
Fees - Court Officers	28,581	26,000	28,000	28,000
Fees - Excess	13,786	20,000	13,000	15,000
Fees - City Sheriff	37,158	38,100	38,100	38,100
Detention Home Charge For Ward	167,072	120,000	160,000	120,000
Fees - Jail Booking	549	1,500	1,200	1,500
Miscellaneous School Fees	2,788,319	3,983,361	3,983,361	3,983,361
Youth Development Fees[2]	50	0	0	0
Paramedical Rescue Service	6,713,745	6,250,000	7,000,000	7,000,000
Charges - Insurance	100,588	100,000	100,000	100,000
Charges - Animal Protection	46,729	40,000	42,000	42,000
Police Records And Reports	158,379	150,000	180,000	175,000
Public Vehicle Inspection Certification	23,292	23,000	12,000	8,000
Non-Emergency Traffic Escort	17,205	17,000	17,000	17,000
Fees - Library Fines	169,961	160,000	206,000	245,540
Charges - Public Works	328,977	650,000	334,000	334,000
Charges - Materials - Street and Bridges	605,769	330,000	694,300	694,300
Zoo Admission	1,704,376	2,138,279	2,000,000	2,238,700
Charges - Transient Yacht	210,095	200,000	150,000	200,000
Charges - Information System[2]	-400	0	0	0
Sales Surveys/Blueprints/Maps	31,942	35,000	40,000	40,000
Fees - Refuse Disposal[2]	-4	0	0	0
Fees - Tax Abatement	3,605	2,500	2,500	2,500
Recreation/Parks Fees	412,804	385,000	370,000	400,000
Recreation/Parks Classes Fees	319,458	360,000	320,000	320,000

Revenue Source	FY 2015 Actual	FY 2016 Approved	FY 2016 Year-End Estimate	FY 2017 Proposed
Recreation/Parks Concession Fees	1,500	2,000	2,000	2,000
Recreation/Parks Rental Fees	96,954	90,000	100,000	100,000
Recreation/Parks Camp Wakeup	399,606	475,000	500,000	475,000
Cruise Ship Terminal Fees	320,813	525,000	525,000	425,000
Fees - Nauticus Admissions	1,628,830	1,880,000	1,880,000	1,970,000
Fees - Nauticus Memberships	20,565	26,985	26,985	22,608
Program Fees - NCSB	5,286,716	5,411,500	5,411,500	5,575,000
Total Charges for Services	**22,812,094**	**24,633,725**	**25,310,446**	**25,745,109**
MISCELLANEOUS REVENUE				
Payments In Lieu Of Taxes	4,370,421	4,415,060	4,416,221	4,457,518
Navy PPV Payment	3,122,274	2,948,523	2,948,523	2,937,613
DMV Select Fees	107,371	104,000	100,000	107,000
Sale of Other Property	2,384	5,700	600	1,200
Sale of Unclaimed Property	0	2,000	4,800	2,000
Administrative Fees - Real Estate Tax	30,273	35,000	35,000	35,000
Administrative Fees - Personal Property Tax	114,615	100,000	100,000	100,000
Administrative Fees - DMV Stop	597,120	580,000	550,000	580,000
Other Miscellaneous Revenue[2]	-1,214,940	436,400	500,000	507,678
Community Development Fund	1,595	1,400	1,400	1,500
Sales - Slover	9,272	0	4,500	4,500
Concessions - Slover	2,116	0	0	0
Proceeds from Sale of Land	427,600	0	0	0
Total Miscellaneous Revenue	**7,570,101**	**8,628,083**	**8,661,044**	**8,734,009**
RECOVERED COSTS				
Utilities	93,022	90,000	20,000	90,000
Transport of Prisoner	121,646	75,000	75,000	90,000
Zoo	0	4,800	4,600	4,800
Nuisance Abatement	102,062	385,000	300,000	385,000
Retirement Bureau	288,315	400,000	400,000	534,282
Insurance	200,779	1,000	500,000	2,000
Benefits Program Administration	22,970	5,500	5,500	6,500
Miscellaneous Salaries (Police)	620,123	927,521	927,521	927,521
Healthcare Consortium Contribution	213,261	455,000	455,000	443,400
General Overhead - Water Fund	1,160,321	1,242,720	1,242,720	1,771,960
Debt Service Recovery	2,417,415	2,938,636	2,412,636	2,983,252
Telephone Charges	357,270	372,200	372,200	372,200
Public Information	6,929	5,583	5,600	6,000

Revenue Source	FY 2015 Actual	FY 2016 Approved	FY 2016 Year-End Estimate	FY 2017 Proposed
Recoveries and Rebates	585,442	192,360	386,541	103,900
General Overhead - Wastewater Fund	346,166	390,140	390,140	321,872
Information System Support	1,347,160	1,350,000	1,350,000	1,350,000
Jail Meals	437,762	475,000	340,000	406,000
E-ZPasses	10,055	10,500	10,500	10,500
General Overhead - Parking Fund	369,922	455,300	455,300	422,817
General Overhead - Towing Operations	136,295	33,582	33,582	78,760
General Overhead - Storm Water	761,197	758,659	758,659	730,213
General Overhead - Waste Management	932,282	827,574	827,574	1,084,631
General Overhead - Golf	0	9,000	9,000	9,000
Contract Revenue - NCSB	33,113	0	0	0
Total Recovered Costs	**10,563,507**	**11,405,075**	**11,282,073**	**12,134,608**
REVENUES FROM THE COMMONWEALTH				
NON-CATEGORICAL AID				
Taxes - Rolling Stock	178,548	199,000	190,000	199,000
Taxes - Mobile Home Title	7,616	6,000	7,000	7,000
Rental of Passenger Cars	4,810,006	3,800,000	4,500,000	4,500,000
Law Enforcement (HB 599)	10,834,955	11,175,000	11,175,000	11,530,000
Grantor's Tax on Deeds	543,791	520,000	600,000	600,000
Personal Property Tax Relief	16,871,056	16,871,100	16,871,100	16,871,100
Total Non-Categorical Aid	**33,245,972**	**32,571,100**	**33,343,100**	**33,707,100**
SHARED EXPENSES				
City Treasurer	499,803	478,000	520,000	483,000
Clerk of the Circuit Court	1,755,470	1,595,410	1,595,400	1,611,400
Commissioner of the Revenue	545,543	559,000	560,000	565,000
Commonwealth Attorney	2,788,354	2,792,416	2,725,000	2,575,300
Registrar/Electoral Board	71,998	115,000	115,000	75,000
Sheriff	14,816,941	15,504,002	15,300,000	15,793,000
Total Shared Expenses	**20,478,109**	**21,043,828**	**20,815,400**	**21,102,700**
CATEGORICAL AID				
Norfolk Interagency Consortium (NIC)	37,726	37,726	37,726	37,726
Public Assistance Grants	8,108,194	8,311,990	8,000,000	8,310,000
Social Services Administration	22,747,713	21,937,176	22,250,000	21,925,700
State Funds - NCSB	11,284,126	10,948,807	10,948,807	11,046,269
State Sales and Use Tax for Schools	31,708,061	32,325,750	32,325,750	33,211,659
State School Funds	150,679,048	151,566,499	151,566,499	156,663,101
Street and Maintenance	22,535,290	23,098,705	23,435,362	24,204,400

Revenue Source	FY 2015 Actual	FY 2016 Approved	FY 2016 Year-End Estimate	FY 2017 Proposed
Retirement - State Employee	9,105	9,000	9,000	11,000
State Library Grant	175,962	179,926	180,138	179,508
Div. of Youth Services Facilities	1,884,012	1,900,000	1,900,000	1,900,000
Shared Expenses - Jail Support	2,889,804	2,427,374	2,600,000	2,624,861
Port Funding	609,700	609,700	747,893	639,700
State Recordation Tax	761,058	687,570	715,000	715,000
Total Categorical Aid	**253,429,799**	**254,040,223**	**254,716,175**	**261,468,924**
REVENUE FROM THE COMMONWEALTH	**307,153,880**	**307,655,151**	**308,874,675**	**316,278,724**
FEDERAL AID				
Federal School Funds	5,427,739	5,651,426	5,651,426	5,651,426
Federal Funds - NCSB	3,118,011	2,983,440	2,983,440	2,759,170
Juvenile Detention Center (food service)	94,766	100,000	100,000	100,000
Social Security Payments - Prisoners	800	4,000	2,200	1,000
Total Federal Aid	**8,641,316**	**8,738,866**	**8,737,066**	**8,511,596**
OTHER SOURCES AND TRANSFERS IN				
Rollover from Last Year				
Carryforward - General Fund	6,377,290	2,856,035	2,856,035	2,658,264
Carryforward - School Construction, Technology and Infrastructure (CTI)	3,000,000	246,600	246,600	0
Carryforward - NCSB Fund Balance[3]	3,050,996	863,531	863,531	1,552,666
Carryforward - Nauticus Fund Balance	0	0	0	100,000
Return from Wastewater Fund	1,500,000	1,500,000	1,500,000	1,500,000
Return from Water Utility Fund	8,500,000	8,500,000	8,500,000	8,500,000
Return from Waste Management Fund	1,630,326	800,000	800,000	500,000
Transfer in from				
Norfolk Public Schools[4]	5,944,513	4,410,913	4,410,913	1,149,274
Tax Increment Financing Fund	4,928,024	4,088,404	4,088,404	3,985,591
Public Amenities Fund	0	0	0	2,000,000
Waste Management Fund (debt service recovery)	213,687	0	0	0
Waterside Fund closeout[2]	62,109	0	0	0
Parking Fund to Cruise Ship Terminal	33,081	0	0	0
Total Other Sources and Transfers In	**35,240,026**	**23,265,483**	**23,265,483**	**21,945,795**
General Fund Total[5]	**819,960,512**	**812,379,121**	**814,110,677**	**831,261,000**

[1] Collection of revenue from residential parking permits by Parking Facilities Fund began in FY 2016.
[2] FY 2015 amount reflect one-time revenue such as from closeout of accounts and prior year revenue reconciliation.
[3] Carryforward reflects reappropriation from Norfolk Community Services Board (NCSB) fund balance.
[4] Reflects reappropriating Norfolk Public Schools' year-end balance. See Public School Education section for details.
[5] FY 2016 Year-End Estimate based on approved budget and does not include amendments to the budget.

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General Fund Expenditures

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General Fund Expenditure Summary

Department	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
LEGISLATIVE			
City Council	345,879	349,431	381,397
City Clerk	1,356,489	1,377,660	1,505,909
City Real Estate Assessor	1,944,576	2,059,476	2,087,667
City Auditor	830,991	837,192	959,640
Total Legislative	**4,477,935**	**4,623,759**	**4,934,613**
EXECUTIVE			
City Manager	2,228,788	2,310,706	2,292,447
Office of Budget and Strategic Planning	1,298,932	1,486,195	1,483,079
Office of Resilience	0	0	334,952
Total Executive	**3,527,720**	**3,796,901**	**4,110,478**
DEPARTMENT OF LAW	**4,166,176**	**4,386,569**	**4,499,892**
CONSTITUTIONAL OFFICERS			
Commissioner of the Revenue	2,966,483	3,061,260	3,050,725
City Treasurer	2,247,543	2,377,916	2,409,856
Clerk of the Circuit Court	2,885,428	3,154,540	3,191,350
Commonwealth's Attorney	5,485,790	5,481,273	5,473,398
Sheriff and Jail	39,460,930	40,868,108	41,187,882
Total Constitutional Officers	**53,046,174**	**54,943,097**	**55,313,211**
JUDICIAL			
General District Court	210,267	267,742	267,742
Juvenile and Domestic Relations Court	60,619	79,793	79,793
Circuit Court Judges	677,395	756,486	779,524
Norfolk Juvenile Court Service Unit	149,210	163,800	166,224
Magistrate	13,134	11,438	11,438
Total Judicial	**1,110,625**	**1,279,259**	**1,304,721**
ELECTIONS	**690,083**	**978,131**	**895,986**
GENERAL MANAGEMENT			
Communications and Technology	11,842,596	13,565,352	13,660,136
Finance	3,820,478	3,920,330	4,448,534
General Services	22,139,730	23,971,181	24,399,559
Human Resources	3,217,575	3,331,768	3,496,562
Total General Management	**41,020,379**	**44,788,631**	**46,004,791**
COMMUNITY DEVELOPMENT			
City Planning	4,447,013	4,829,234	4,962,151
Neighborhood Development	3,073,346	3,294,228	4,154,653
Development	1,757,973	1,798,593	2,032,161
Total Community Development	**9,278,332**	**9,922,055**	**11,148,965**

Department	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
PARKS, RECREATION AND CULTURE			
Libraries	9,594,638	11,073,353	11,689,510
Cultural Facilities, Arts and Entertainment	5,508,646	5,543,082	5,703,491
Zoological Park	3,702,279	3,727,134	4,196,666
The National Maritime Center	4,621,423	4,803,691	5,043,780
Recreation, Parks and Open Space	16,818,657	16,943,108	17,379,157
Total Parks, Recreation and Culture	**40,245,643**	**42,090,368**	**44,012,604**
CENTRAL AND OUTSIDE AGENCY APPROPRIATIONS			
Central Appropriations	14,000,274	18,586,333	17,699,751
Grant Providers on Behalf of City	1,642,484	1,647,015	910,515
Funds to Community Partners	1,646,480	1,746,480	1,546,480
Public-Private Partnerships for City-Owned Facilities	4,611,682	4,728,631	4,935,070
Public-Private Partnerships for Tourism and Special Event Organizations	8,071,227	8,046,856	8,847,356
Public Partnerships to Provide Services	19,512,394	19,897,238	20,810,708
Contractual Obligations	3,571,750	3,664,684	3,028,593
Memberships and Dues	595,902	713,239	715,643
Other Arrangements	2,369,393	1,851,900	1,880,000
Total Central and Outside Agency Appropriations	**56,021,586**	**60,882,376**	**60,374,116**
PUBLIC HEALTH AND ASSISTANCE			
Norfolk Community Services Board	24,227,708	25,343,690	26,020,634
Office to End Homelessness	252,607	287,498	286,951
Public Health	3,530,809	3,476,484	3,468,419
Human Services	45,360,315	46,476,185	47,155,952
Total Public Health and Assistance	**73,371,439**	**75,583,857**	**76,931,956**
PUBLIC SAFETY			
Police	65,037,072	66,925,481	68,500,916
Fire-Rescue	39,782,011	40,608,056	42,592,138
Total Public Safety	**104,819,083**	**107,533,537**	**111,093,054**
PUBLIC WORKS	**24,286,170**	**24,509,658**	**26,702,280**
DEBT SERVICE	**72,698,632**	**62,382,152**	**65,747,190**
PUBLIC SCHOOL EDUCATION (Norfolk Public Schools)	**314,068,803**	**314,678,771**	**318,187,143**
Total General Fund	**802,828,780**	**812,379,121**	**831,261,000**

Citywide Priorities

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CITYWIDE PRIORITIES

In June 2011, a revision of citywide priorities was undertaken, which included the development of citywide goals and objectives and the revision and revamping of performance measures. New citywide priorities, reflecting the social, economic, and environmental conditions of the city, were developed, using input from City Council, residents, and business leaders. Council affirmed the citywide priorities and accompanying vision statements, which are the expression of the desired outcomes for the city.

Accessibility, Mobility and Connectivity: *A comprehensive network of accessibility and information gathering options, addressing all traditional transportation modes as well as new technologies, which connects people, goods and information*

Economic Vitality and Workforce Development: *A growing, competitive, and diversified economy that enhances the quality of life for residents through a wide range of housing, shopping, educational, cultural, business, and employment opportunities*

Environmental Sustainability: *A premier waterfront community that creates a positive, regenerative effect on its environment, avoids detrimental environmental impacts, and thrives economically and culturally*

Lifelong Learning: *Residents of all ages enjoy a culture of learning that enables them to reach their full potential, achieve personal goals, and, through their knowledge, skills, abilities, and talents, become well equipped to support a prosperous economy*

Safe, Healthy and Inclusive Communities: *Residents of diverse backgrounds and interests feel encouraged and empowered to assist in the development of safe and healthy neighborhoods, thereby fostering a culture of leadership, pride, and well-being that advances Norfolk's brand as a desirable and enjoyable place to live, learn, work, and play*

Well-Managed Government: *A data-driven organization that provides effective and efficient programs and services that are responsive, accountable, inclusive, and customer focused*

Bringing "life" to the new priorities required ownership not only by city staff, but also the greater Norfolk community. A concerted effort was undertaken, through the creation of the Priority Area Teams (PAT), to engage the community on the priority setting process, as well as to ensure the process was inclusive. A PAT was established for each of the six priority areas, with members representing city departments and community partners, who drew on their own experience and expertise to make recommendations for the city as a whole. The role of the PAT was to develop citywide goals, objectives, and outcome measures for each priority. Using input from Council, residents, and business leaders, the PATs developed statements describing the vision for each priority.

Priority-Based Budgeting

Informed by both the work of the Priority Area Teams and subsequent enhancement of the performance measurement system, the city's annual budget development process strives to ensure that funding goes to those programs and core services that match the priority areas. All activities in both the operating budget and capital budgets meet at least one of the six city priority areas. As departments link goals, objectives, and work plans to the priorities, it becomes clear which programs and services provide the greatest benefit. Programs and services that help the city achieve desired outcomes become funding priorities. Those programs that are not clearly identified as priorities are re-evaluated for further continuation or funding.

Enhancing the Performance Measurement/Management System

Performance measures continue to be reviewed and refined annually to ensure they are representative of the priorities set by City Council and the community, while demonstrating success in the principal programmatic focus areas of the departments. A thorough review of all of the existing measures commenced in the spring of 2015. As of March 2016, 18 city departments have progressed through thorough, individualized measure review and enhancement processes. The fundamental purpose of this review process is to enhance the existing departmental performance measures in three principal ways:

1) Conceptual clarity-the measure clearly, unambiguously, and appropriately says what it intends to say;

2) Validity-the measure actually reflects the data that it intends to collect; and

3) Connection to the mission and goals of the department-the measure demonstrates the relative level of success in those programmatic areas the department exists to provide.

The city's performance measurements will continue to evolve as departments become more familiar with and accustomed to valid measurement and continuous evaluation of program impact. Ultimately, the city should demonstrate, through transparent performance data, the relative impact of programming on the diverse customer base. Having a system in place for the evaluation of programmatic efficiency and effectiveness is fundamental to achieving the Well-Managed Government priority area.

The city's priority areas are addressed in the sections that follow. In addition to explanatory narrative and charts demonstrating success in selected areas, a table encompassing highlights of measures is provided for each priority area.

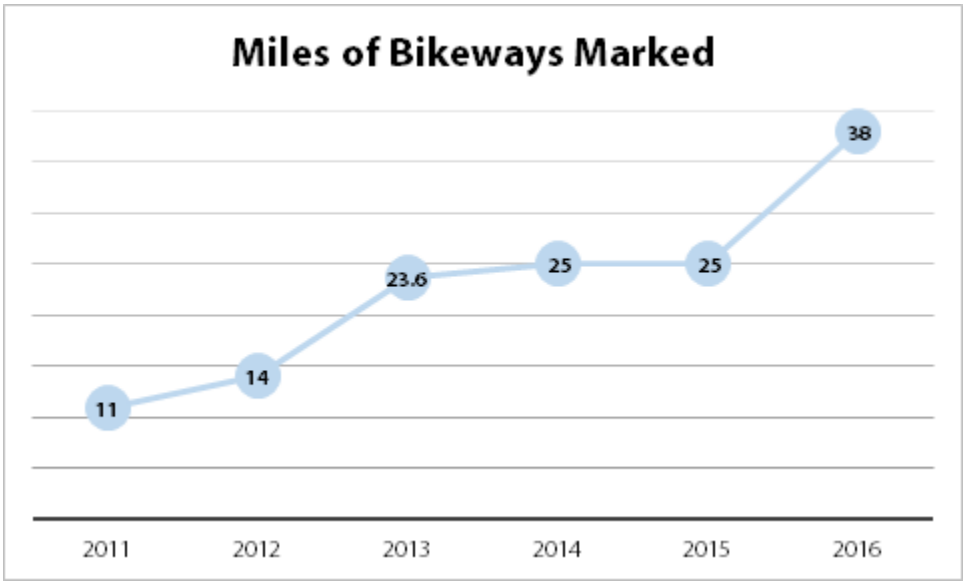
Priority: Accessibility, Mobility and Connectivity

A comprehensive network of accessibility and information gathering options, addressing all traditional transportation modes as well as new technologies, which connects people, goods and information.

This priority area includes objectives as diverse as optimizing alternative transportation modes and increasing the use of social media and web tools. This focus area ensures connection with residents, both physically and through information access and exchange.

Mobility: Alternative Modes of Transportation

Becoming a more walkable and bikeable community supports both the Accessibility, Mobility and Connectivity and Safe, Healthy, and Inclusive Community priorities. The creation of marked bikeways is one way in which the city is striving to improve access to safe, alternative modes of transportation. As demonstrated in the graph below, the total miles of marked bikeways have increased significantly since 2011. Between 2011 and 2016, the miles of bikeways marked throughout the city have tripled.



Connectivity: Access to Information

The city is investing considerable effort in increasing resident access to program, service, and city governance information. The table below demonstrates just a few of the ways in which departments are improving community engagement through the dissemination of information online. Despite the considerable strides made to date, opportunities exist for additional enhancement of city communication efforts, particularly in the area of direct resident involvement. There is also considerable room for improvement in the manner and depth in which efforts are evaluated relating to accessibility, mobility, and connectivity initiatives.

Highlights of Accessibility, Mobility and Connectivity

Measure	2014 Actual	2015 Actual	2016 Approved	2017 Proposed
City Planning				
Percent of planning applications posted online within 48 hours following the filing deadline	100%	100%	96%	97%
Communications and Technology				
Number of visits to NorfolkAir	267,678	292,931	250,000	260,000
Emergency Preparedness and Response				
Number of visitors to Emergency Preparedness & Response website	21,091	17,940	21,000	22,000
Libraries				
E-newsletter open rate (percent of recipients of e-newsletter actually opening the file)	24%	34%	30%	33%
NPL website page views	737,087	651,960	800,000	810,000

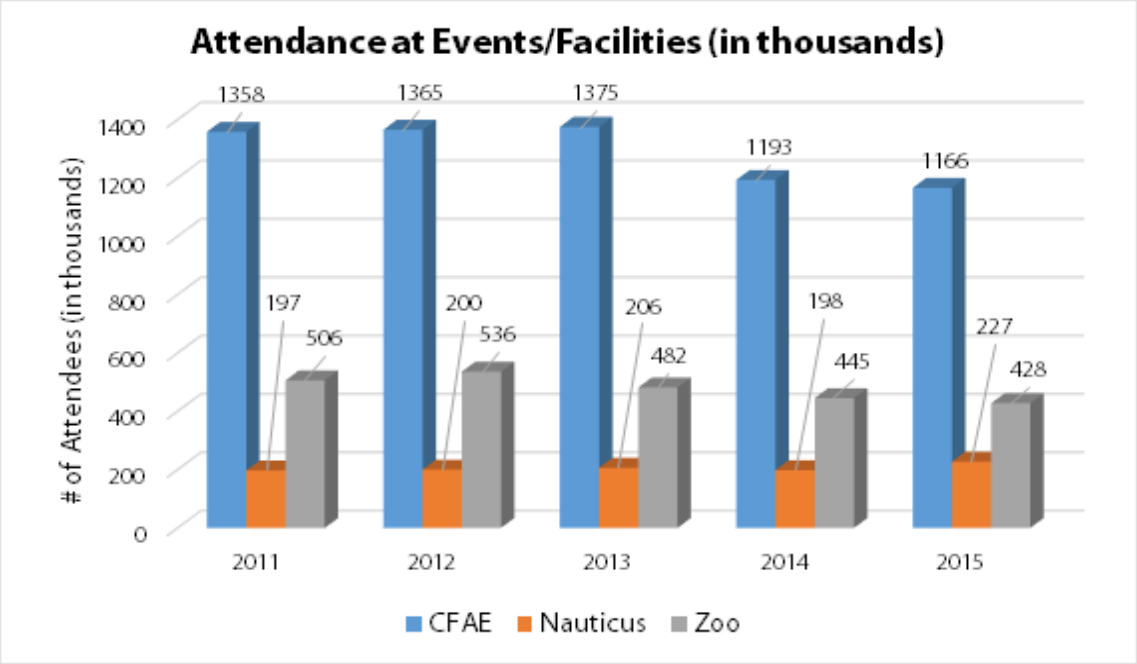
Priority: Economic Vitality and Workforce Development

A growing, competitive and diversified economy that enhances the quality of life for residents through a wide range of housing, shopping, educational, cultural, business, and employment opportunities..

This priority area focuses on growing and sustaining Norfolk's economic base, with particular emphasis on business attraction and development, entertainment expansion, and attracting and retaining talent.

Cultural Opportunities

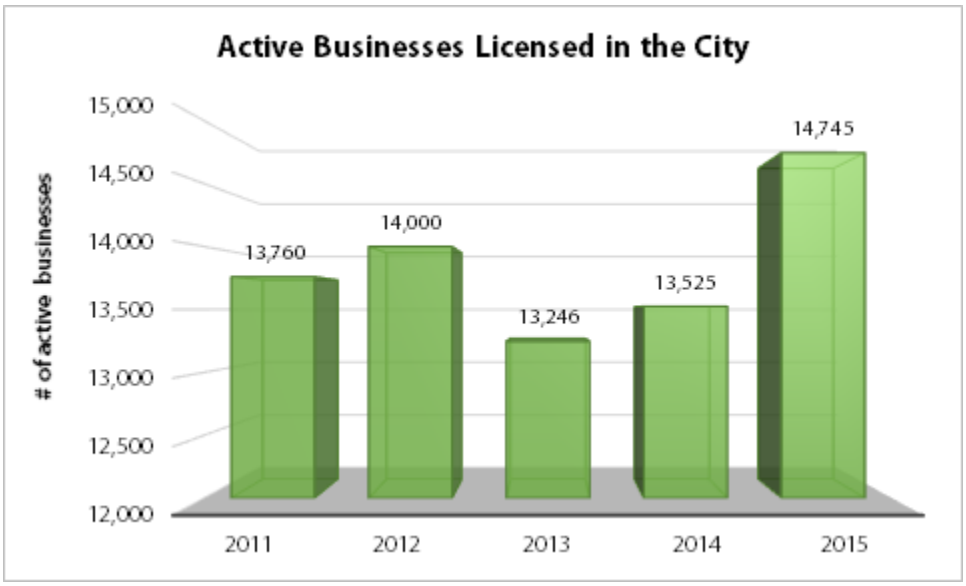
Enhancement of Norfolk's reputation as a place to enjoy a wide variety of entertainment/cultural amenities is a focus for many departments, including Cultural Facilities, Arts and Entertainment (CFAE), the National Maritime Center-Nauticus (NMC), and the Zoological Park. Each of the departments is working to increase and diversify available programming opportunities, while enhancing marketing efforts. The results of those efforts are displayed below. Attendance fluctuates due to the presence or absence of special programming and new exhibits or shows. The Virginia Zoo's Asia- Trail of the Tiger exhibit drew record crowds when it opened in January 2012. It is anticipated that 2016 will see a substantial increase in zoo attendance. The addition of the Malaysian tiger cubs exhibit and the newly renovated zoo farm are expected to drive attendance to levels surpassing those seen in 2012. Attendance at CFAE decreased in 2014 and 2015, when compared to 2013 as a result of fewer baseball games and events at Chrysler Hall.



Business Development

A second focus of this priority area is attracting and growing businesses in Norfolk. The CitySites program, which encourages the purchase or lease of city-owned properties, and the Smart Processing philosophy, designed to improve satisfaction with the permitting and development processes, are both efforts that impact tax base growth, while enhancing customer service. Targeted business recruitment and retention, to increase economic opportunities, is, also, a fundamental focus of the city. For instance, the Department of Development is placing particular emphasis on enhancing SWaM (Small, Woman, and Minority-Owned) business attraction and development. The Proposed FY 2017 Budget adds a position in the Department of Economic Development to continue and increase the city's partnerships with SWaM and veteran-owned businesses.

The city also strives to create an attractive business development and retention environment. This commitment has contributed to the relative maintenance and growth of the number of active businesses within the city, despite the lengthy economic impact of the Great Recession. As demonstrated in the chart below, the number of active businesses licensed in the city grew nearly 10 percent between 2014 and 2015.



Connecting the Workforce to Employment Opportunities

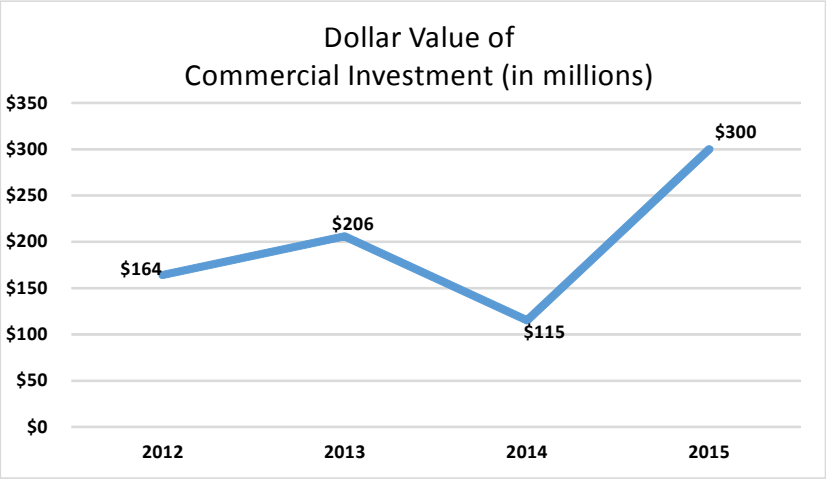
The third major focus for this priority area is connecting the workforce to viable employment opportunities, through the attraction of new businesses and provision of opportunities for skill development and enhancement. A variety of city departments contribute to these efforts by providing targeted skill training, enhancing access to employment websites and resources, and making connections between organizations and potential employees. Investment in the economic growth of the city also contributes to growth in job opportunities for residents.

While locating employment in a stagnant economy is difficult for even the most highly qualified applicants, certain segments of the population, who may not possess skills that are widely marketable, struggle with achieving financial security. In a city such as Norfolk, in which 24.4 percent of all families with children subsist below the federal poverty line (2014 American Community Survey estimate), the creation of sufficient opportunities for gainful employment is even more vital.

Various services address employment needs. The Department of Human Services, for instance, works to assist Virginia Initiative for Employment not Welfare (VIEW) Program participants with finding and retaining viable employment. In FY 2015, 77 percent of the program participants found employment and remained employed for 90 days or longer.

As a city with a large contingent of current and former members of the military, it is important that employment opportunities for veterans be increased. In response to the needs of the military population, the city has committed to actively recruiting and hiring of veterans as employees. During FY 2013 and FY 2014, the city exceeded its benchmark of 15 percent of all new hires being veterans.

Finally, investment in the community often translates into additional employment opportunities for residents. As demonstrated in the following chart, the city has benefited from considerable commercial investment, particularly during the last two fiscal years. The Main Hotel and Conference Center, for instance, has created more than 1,500 construction and permanent jobs and will, ultimately, generate more than $2 million in annual taxes for the city.



Highlights of Economic Vitality and Workforce Development

Measure	2014 Actual	2015 Actual	2016 Approved	2017 Proposed
City Treasurer				
Number of properties auctioned to provide investors and developers the opportunity to grow within the city and return properties to the tax rolls	400	300	400	400
Commissioner of the Revenue				
Number of annual business licenses issued	13,525	14,745	13,650	13,700
Cultural Facilities, Arts and Entertainment				
Attendance at entertainment opportunities	1,193,028	1,166,980	1,184,818	1,220,362
Development				
Number of small, women, veteran, and minority-owned businesses that conduct business with the city	549	387	550	575
Dollar value (in millions) of commercial investment	$115	$300	$200	$210
Human Services				
Percent of Virginia Initiative for Employment not Welfare (VIEW) participants who find employment and remain employed for 90 days or longer	77%	77%	75%	75%
The National Maritime Center				
Number of visitors to Nauticus	197,722	227,376	226,000	237,000
Zoological Park				
Number of Zoo visitors	444,994	427,892	500,000	500,000

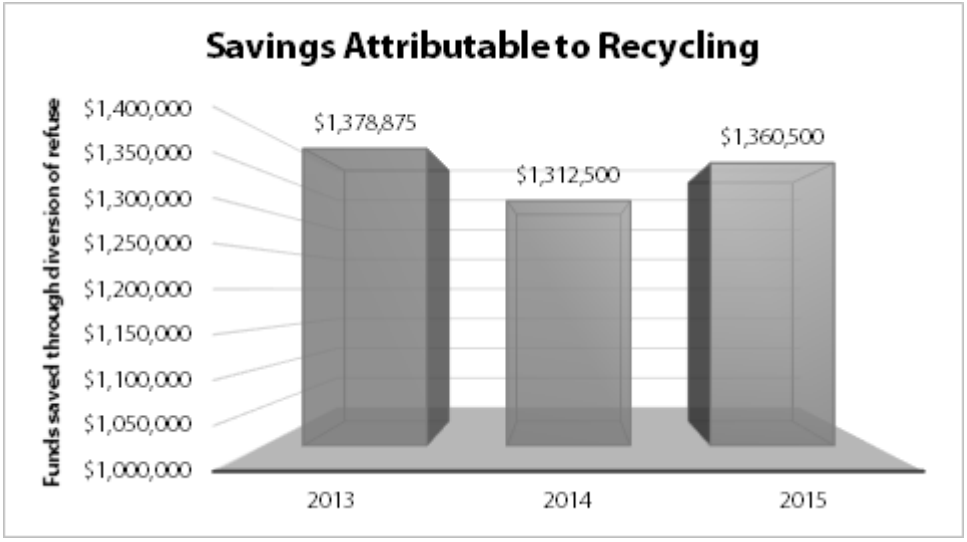
Priority: Environmental Sustainability

A premier waterfront community that creates a positive, regenerative effect on its environment avoids detrimental environmental impacts and thrives economically and culturally.

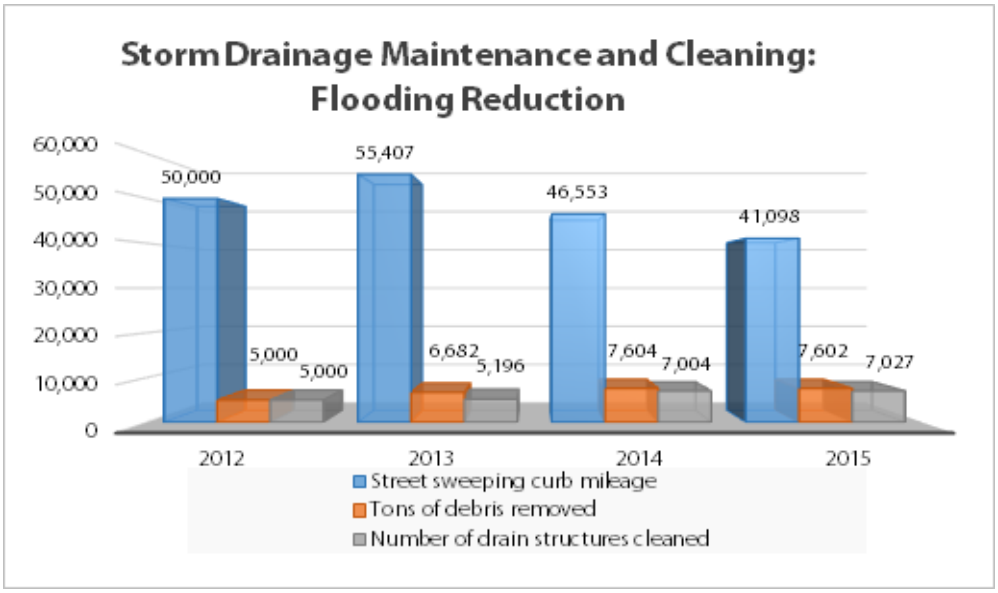
Norfolk's environment is a key component of its quality of life and the economic base, which is reflected in waterfront industry, port activity, a considerable military presence, and tourism. Preservation of the waterfront and protection of waterfront property from flooding are important goals for the city. In 2015, the city was awarded the National Research Council/ICMA ***Voice of the People Award*** for its efforts relating to enhancement of the natural environment.

Encouraging sustainable practices for use of natural resources and the environment has been one focal point for this priority area. These practices are being grown both within city government and across the community, through a variety of initiatives. A major focus of the city has been to lower energy consumption through downsizing of the fleet, buying more fuel efficient vehicles, and retrofitting buildings, as well as constructing new buildings to be more energy efficient.

In the community, programs to encourage recycling have been increased, as have programs to help the public understand the importance of keeping contaminants out of the city's natural waters. Notwithstanding the obvious environmental benefits of a robust recycling program (for example, reduced deforestation), there are considerable savings attributable to reduced disposal of refuse at landfills. It costs the city $125 per ton to dispose of refuse at a landfill. By recycling 10,884 tons of curbside recycling in FY 2015, the city saved $1.36 million in disposal fees. The following chart illustrates the savings, in each of the last three fiscal years, attributable to the tons of curbside recycling collected.



The second major focus for environmental sustainability is mitigating the impact of flooding across the city. Protecting property from damage, by utilizing current administrative processes to approve new, more environmentally sustainable projects, is one component of flood mitigation. Another ongoing and sizable effort relating to flood mitigation is maintenance of the storm drainage system through consistent street and storm drain structure cleaning. These efforts ensure the drainage system is capable of handling the maximum amount of storm water possible in a storm event, reducing the possibility of flooding. Through these efforts, the city is working to reduce the preventable impacts on the storm drainage infrastructure. The chart below shows the miles of streets swept, the tons of debris removed through street sweeping, and the number of drain structures cleaned in fiscal years 2012 through 2015. Reduction in mileage is attributable to a host of factors, including a greater amount of rain, which reduced the need for sweeping.



Finally, many of the efforts undertaken pursuant to other priority areas (for example, Accessibility, Mobility and Connectivity) provide benefits to the health of the natural environment, as well. For instance, increased resident use of bicycle lanes for intracity transportation reduces the amount of carbon monoxide emitted into the air, thereby enhancing aggregate air quality. Reduction in paper-driven processes (Well-Managed Government), likewise, has environmental benefits (such as reduced deforestation).

Highlights of Environmental Sustainability

Measure	2014 Actual	2015 Actual	2016 Approved	2017 Proposed
City Planning				
Square footage of wetlands restored	209,708	23,713	40,000	40,000
Storm Water Management				
Street sweeping curb mileage (objective: maintain)	46,553	41,098	50,000	50,000
Tons of debris removed by street sweeping	7,604	7,602	7,000	7,000
Number of drain structures cleaned annually	7,004	7,027	7,000	7,000
Waste Management				
Number of tons of curbside recycling collected	10,500	10,884	12,500	12,500

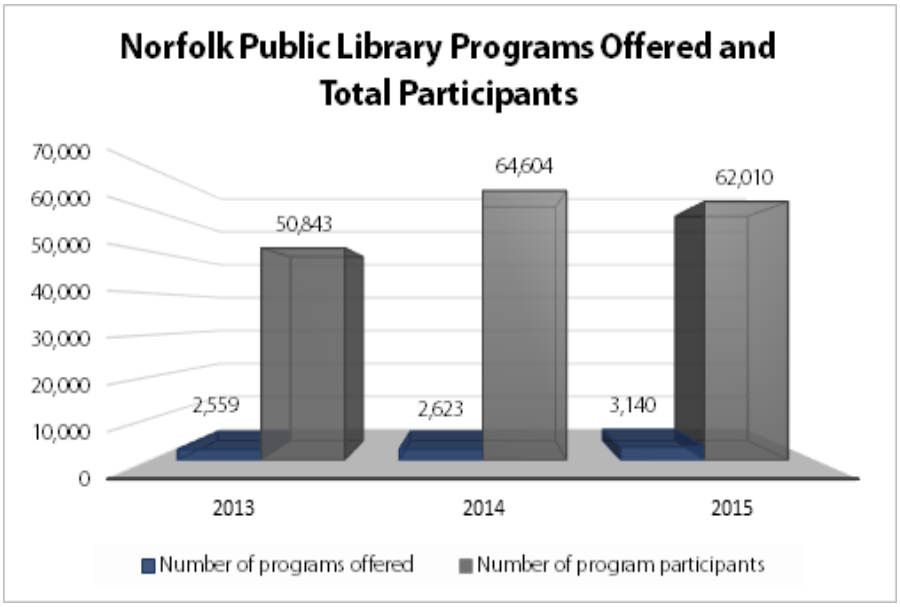
Priority: Lifelong Learning

Residents of all ages enjoy a culture of learning that enables them to reach their full potential, achieve personal goals, and, through their knowledge, skills, abilities, and talents, become well equipped to support a prosperous economy.

Lifelong learning is a critical component of a quality community and economic vitality. Norfolk Public Schools is a key partner in achieving this priority. The city's principal focuses, in this priority area, are pre-school readiness for school, technical workforce education programs for residents, and learning opportunities afforded through other life activities, such as recreation, leisure reading, and volunteering.

In addition to providing substantial funding to the Norfolk Public Schools, the city provides training for youth and young adults through internship opportunities in city departments and agencies. The Norfolk Emerging Leaders (NEL) program employs *250 youth and municipal college interns* each fiscal year to provide workforce training and to increase interest in public sector careers among Norfolk's young residents.

The provision of opportunities for all residents to continue learning throughout their life is a primary emphasis of this priority area. A number of city departments offer classes that seek to enhance resident skills and knowledge in a variety of areas, including, but not limited to: early literacy, job readiness (for example, resume writing), information seeking (for example, genealogy), healthy behaviors, financial literacy, and the use of computers and other electronic devices. The chart below highlights the number of programs provided by Norfolk Public Libraries (NPL), as well as the total program participation, over the course of the previous three fiscal years. Despite increasing program offerings by only three percent between FY 2013 and FY 2014, NPL had a 27 percent increase in participation. This is attributable to NPL's ongoing effort to provide programming that meets resident need. Other learning opportunities directed to specific groups or residents include: training for in-home child care providers; the Virginia Rules Program, which teaches youth about Virginia laws; and educational programs offered by the MacArthur Memorial and Norfolk Botanical Gardens. Participation will fluctuate from year to year due to the types of programs offered. Nonetheless, the significantly larger participation for both FY 2014 and FY 2015, compared to the level for FY 2013, demonstrates that NPL's programming is drawing higher rates of participation. While the number of library events has increased from 2014 to 2015, total attendance has decreased slightly. This decrease is a result of how programming was provided in 2014, when the old main library was closed prior to the new Slover Memorial Library opening. During this time NPL provided off-site programming during this time, often going to schools, where participants were already gathered. As a result, participation was higher.



Highlights of Lifelong Learning

Measure	2014 Actual	2015 Actual	2016 Approved	2017 Proposed
Communications and Technology				
Number of video segments highlighting lifelong learning opportunities in the city and schools	130	131	120	130
Community Services Board				
Percent of graduates from the Infant Toddler Connection who access mainstream schooling without preschool special education	51	45	45	45
Cultural, Facilities, Arts and Entertainment				
Number of MacArthur Memorial archive research inquiries	3,026	3,210	3,500	3,500
Number of participants in MacArthur educational and cultural programs	38,753	40,486	45,000	45,000
Development				
Number of small business outreach events	20	23	22	25
Libraries				
Number of Storytime sessions offered (objective: maintain)	750	2,484	800	800
Number of online language learning and career test preparation services sessions used	1,606	28,786	4,000	4,100
Number of items circulated	764,587	749,876	981,000	987,500
Number of participants in library programs	64,604	62,010	63,000	63,000
Police				
Number of participants in Residents Police Academy	83	118	81	81
Number of participants in Youth Academy	409	528	288	288
Public Health				
Number of medical and community volunteers for public health (secured through the provision of volunteer training)	350	302	225	250
Number of youth participating in abstinence programming	237	504	375	400
Sheriff				
Number of inmates completing GED, Life Skills, Reentry and Cognitive Behavior Training	501	355	465	475

Priority: Safe, Healthy and Inclusive Communities

Residents of diverse backgrounds and interests feel encouraged and empowered to assist in the development of safe and healthy neighborhoods thereby fostering a culture of leadership, pride and well-being that advances Norfolk's brand as a desirable and enjoyable place to live, learn, work and play.

This priority area encompasses many aspects of life which are important to residents, including fundamental individual and family needs. A major emphasis of this area is partnering with residents to achieve safe, attractive, active neighborhoods, which encourage healthy lifestyles. Neighbors Building Neighborhoods (NBN) and Healthy Norfolk are two large-scale and inclusive programs initiated to support these partnerships.

Engaging residents in building neighborhoods is a major initiative to empower residents and to help define solutions and action plans for communities. Some of the activities that support NBN include: provision of funding for neighborhood groups; training and support for neighborhoods to develop outreach programs; and provision of a training academy for residents. The Department of Neighborhood Development is responsible for leading NBN initiatives.

Healthy Norfolk encourages residents to develop and maintain healthy lifestyles. In collaboration with a variety of city departments and community partners, Healthy Norfolk staff seek to achieve the following goals through policy, systems, and environmental change: 1) increasing resident access to healthy lifestyles (by increasing physical activity for school-aged children); 2) increasing access to healthy eating (by increasing community gardens and farm stands within Norfolk's neighborhoods); and 3) reducing exposure to tobacco smoke (by increasing education and awareness about smoking cessation programs and services).

Human and Social Services

Also fundamental to the safety and well-being of a community is the provision of human and social services. Given the difficulties faced by many individuals and families, it is vital that support and assistance be provided in a timely and effective manner, particularly in cases involving the alleged abuse of a child. Adherence to state guidelines for timeliness of validation of allegations of abuse and neglect is one measure of the efficiency with which human and social services are provided. The success of program outcome is, oftentimes, directly connected to the relative speed with which clients are connected to appropriate services. The impact of human and social services goes beyond mere timely entry into programming, however. Given the importance of such services, the city is undertaking a concerted effort to better gauge outcomes for service recipients. Accordingly, many of the human services measures have been revised and enhanced to better demonstrate the level of impact. Going forward the city will be measuring the following human and social services outcomes (in addition to programmatic outcomes for a host of other departments). Please note: These measures were created during FY 2016 and, as such, do not have data to report in the FY 2017 Budget Document.

Human Services

- Percent of Homeless Action and Response Team (HART) participants stably housed after three months
- Percent of foster care children entering foster care during the preceding 24 months that have achieved permanent placement
- Percent of children with no recurrence of a substantiated claim of abuse or neglect for a minimum of six months
- Percent of participants returning to jail or prison within three years of entering the Prisoner Reentry Program

Community Services Board

- Percent of PTSD/Trauma program participants experiencing a decrease in depressive symptoms

- Percent of Shelter Care Plus tenants maintaining permanent housing for at least one year from program entry date
- Percent of Mental Health/Co-Occurring Court/Jail Diversion participants without new criminal justice involvement while in the program

As with the above measures, the fundamental purpose of the performance measure enhancement process is to better demonstrate the impact of city programming. As such, whenever possible, departments will include indicators of impact among their lists of performance measures.

Highlights of Safe, Healthy and Inclusive Communities

Measure	2014 Actual	2015 Actual	2016 Approved	2017 Proposed
Fire-Rescue				
Percent of fire calls with a total response time of 5 minutes and 20 seconds or less	77	80	90	90
Human Services				
Percent of youth actively engaged in mental health, medical, and educational services while in the Juvenile Detention Center	N/A	N/A	N/A	100
Office to End Homelessness				
Percent of individuals developing homeless service plans who secure transitional or permanent housing, on average, in less than 90 days	N/A	N/A	TBD	TBD
Police				
Crime index for violent crimes -# of crimes per 100,000 population	1,226	1,340	1,275	1,275
Homicide clearance rate (cases closed)	70	57	77	77
Public Health				
Number of Norfolk residents participating in horticulture training, 4-H services, nutrition education, and Master Gardeners certification	51,321	47,322	51,000	52,000
Percent of Norfolk Public Schools 6th graders who are adequately immunized	100	100	100	100
Public Works				
Percent of bridges rated good or fair by National Bridge Inspection Standards	100	100	100	95
Number of roadway lane miles resurfaced per year	51	26	30	30

Measure	2014 Actual	2015 Actual	2016 Approved	2017 Proposed
Recreation, Parks and Open Space				
Average daily attendance in rec and community centers (Please note: Beginning with FY 2016, the department will be tracking annual attendance, not average daily attendance.)	6,063	7,825	6,200	New tracking method
Economic health value (health care cost savings) attributable to participation in recreation programming and community and rec center visitation	N/A	N/A	N/A	New measure FY 2017
Towing and Recovery Operations				
Number of nuisance vehicles removed	292	316	252	252
Water Utility				
Average daily drinking water for all retail and wholesale customer needs-in millions of gallons per day	58	59	62	62

Priority: Well-Managed Government

A data-driven organization that provides effective and efficient programs and services that are responsive, accountable, inclusive, and customer focused.

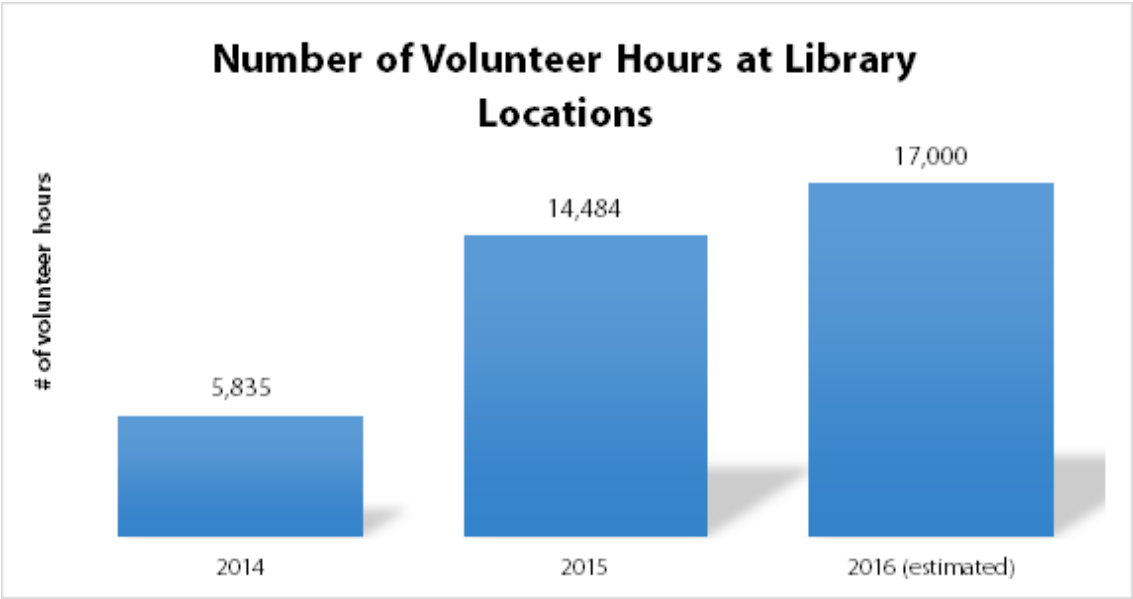
Fundamental to successful achievement of the priority areas detailed above is the existence of a well-managed government organization. This area focuses on streamlining and re-engineering city programs and processes to deliver efficient, effective, and quality services. The city is recognized as a fiscally well-managed government with strategic delivery of customer services and programs. A well-managed government is fiscally responsible and responsive, transparent, customer service-driven, innovative, and engages in a system of continuous self-evaluation.

Fiscal Stewardship

The city's reputation as a financially well-managed government is reflected in the continued bond ratings of Aa2/AA/AA+ and the annual receipt of the Government Finance Officer Association's awards for budget and finance documents. The city further demonstrates good fiscal stewardship through the annual audit, which continues to validate the effectiveness of the city's internal controls environment.

Volunteerism

One of the strongest and most impactful forms of resident engagement is volunteerism. By tapping into the diverse human capital available in the community, the city is able to provide a wider range of services and programs than scarce fiscal resources would otherwise allow. Norfolk Public Libraries, as demonstrated in the chart below, for instance, benefits greatly from the generous donation of time and expertise of its volunteers. Between FY 2014 and FY 2015, the number of volunteer hours logged at NPL branches increased by nearly 2.5 times. Other departments that benefit from the efforts of volunteers include: Recreation, Parks, and Open Space (RPOS); Public Health; General Services (Animal Care Center); and Neighborhood Development.



Efficiency Initiatives

Efficiency initiatives implemented by the city include: the use of technology to manage data and to make information more accessible to residents, reducing the time for the city employee hiring process, and improving retention rates among police officers. In addition, efficiencies were introduced through centralization of various internal databases, thereby reducing redundancies and enhancing department access to frequently used data.

Resident Engagement/Transparency

Opportunities for purposeful resident engagement with city leadership have the potential for increasing confidence in city government. Initiatives undertaken to enhance community engagement include the City Manager's outreach sessions, which garnered resident input regarding preferred alignment and allocation of city resources. The city is, also, working on dramatically enhancing its data transparency efforts through the utilization of various web-based tools. While this effort is ever evolving, the possibilities for communication of real-time programmatic data to residents are considerable.

A Skilled, Capable and Engaged Workforce

The city is committed to lifelong learning for staff, with an eye toward enhancing performance and service quality. This commitment is demonstrated through the wide variety of trainings provided to employees by Human Resources, Communications and Technology (ComTech), and the Office of Budget and Strategic Planning. In FY 2015, for instance, ComTech trained 898 city staff in the utilization of various software and technology applications. In addition, staff engagement in fostering a well-managed government organization has been achieved, in part, through the Mission Possible initiative, which brought together diverse employees to suggest ways to become a more efficient and effective government. During the spring and summer of 2015, this initiative brought together staff from a variety of operational areas to assist in evaluating and implementing innovative re-engineering ideas. Finally, staff from the Office of Budget and Strategic Planning worked collaboratively with over 200 staff from 18 city departments to broaden their knowledge bases regarding performance management and program evaluation. This led to enhancement of existing performance measures.

Highlights of Well-Managed Government

Measure	2014 Actual	2015 Actual	2016 Approved	2017 Proposed
City Auditor				
Percent of City Council-approved work plan items completed or substantially completed during the fiscal year	50	100	100	100
City Clerk				
Percent of documents stored off-site which are retrieved within 24 hours	100	100	100	100
City Planning				
Percent of residential plans that are reviewed within five working days	97	97	98	98
Percent of commercial plans reviewed within 10 working days	88	85	90	91
Commonwealth's Attorney				
Percent of documents used electronically with defense attorneys regarding criminal cases	95	95	95	95
Libraries				
Number of volunteer hours at library branches (Objective: Increase)	5,835	14,484	17,000	17,000
Office of Budget and Strategic Planning				
Dollar value of grants received for city programs (in millions) Please note: FY 2017 includes the $120 million NDRC grant.	N/A	N/A	$16.8	$137.0
Variance in revenue forecast (Benchmark: No more than two percent)	0	1	2	2
Police				
Retention rate of sworn officers	96	95	97	97
Sheriff and Jail				
Number of jail cells available for more serious offenders as a result of eligible inmates serving sentences through electronic monitoring	11,178	8,388	12,000	12,000

Conclusion

Aligning programmatic efforts with priorities, goals, and objectives and further developing a strong system of performance management allows the city to continue to align and allocate resources effectively and implement the most impactful programming for residents, while remaining innovative and progressive. While this process is one of, oftentimes, measured evolution, the progress outlined in the preceding pages demonstrates the city is consistently moving forward on the desired path.

Legislative

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City Council

Mission Statement

The City Council provides policy guidance through the adoption of ordinances, levying of taxes, and appropriation of funds. The City Council exercises all powers conferred by the Commonwealth of Virginia and the Norfolk City Charter.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$321,998	$312,062	$307,361	$319,327
Contractual Services	$45,005	$33,818	$42,070	$62,070
Total	$367,003	$345,879	$349,431	$381,397

Proposed FY 2017 Budget Actions

- **Support advocacy efforts** **FY 2017 $20,000 FTE: 0**

  Increase funds needed for council member advocacy efforts with the National League of Cities and Virginia Municipal League on matters of interest to the City of Norfolk and municipal governments.

  Priority Area(s) Met: Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $566 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 $11,400 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

City Council **Total: $31,966 FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Member of Council	*	*	*	7	0	7
President of Council	*	*	*	1	0	1
Total				8	0	8

*No pay grade or salary range per compensation plan.

CITY CLERK

MISSION STATEMENT

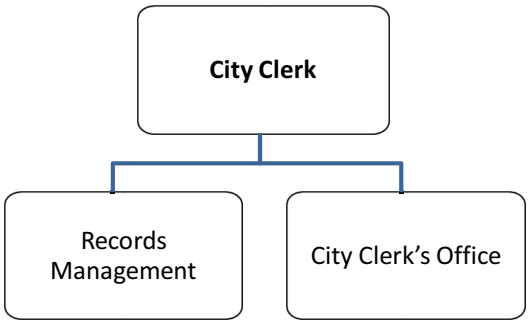
The City Clerk's Office provides administrative support to the City Council; records and maintains proceedings of the City Council; processes records and maintains city deeds, contracts, and agreements; provides records management policies and procedures to city departments; provides support to selected City Council appointed boards, commissions, and task forces; and performs such other duties as assigned by City Council.

DEPARTMENT OVERVIEW

The department is comprised of two divisions:

City Clerk - Arranges the recordation and preservation of City Council proceedings including ordinances, resolutions, and other records such as contracts, amendments, and lease agreements. The division also provides staff support to the City Council and Mayor's Office.

Records Management Program - Provides standardized policies and procedures for the efficient, effective, and fiscally responsible management of the city's records, based on administrative, legal, fiscal, and historical research value, from creation to their disposition. The program is designed to provide procedures for access to and administration of records of the City of Norfolk in accordance with the Virginia Public Records Act, the Virginia Freedom of Information Act, and the Government Data Collection and Dissemination Practices Act, as well as meet the diverse record keeping needs of the city.



ACTIONS TO ACHIEVE LONG-TERM GOALS AND SHORT-TERM OBJECTIVES

The City Clerk's Office primarily supports the City Council's goal of a Well-Managed Government, while, also, enhancing opportunities for Lifelong Learning and increasing resident Accessibility, Mobility, and Connectivity through the provision of Council information. In addition to providing administrative support to the Mayor and City Council, the City Clerk's Office strives to maintain a climate of transparency by ensuring compliance with the laws of the Commonwealth related to meeting notice requirements, meeting proceedings, and record management. Actions that support these well-managed government principles include:

Ongoing Actions	Status
Provide support for citywide initiatives that promote an informed and engaged citizenry	Ongoing
Assist the City Council in communicating with the public and executing its events	Ongoing
Make stored documents readily accessible to requesting departments, thereby enhancing process efficiency	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Serve as a gateway to local government for City Council, citizens, city departments and outside agencies					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of meeting minutes maintained for 6 boards and commissions (City Planning Commission, Design and Review Committee, Civil Service Commission, Board of Zoning Appeals, Wetlands Board, and Board of Building Codes of Appeals) and City Council Meetings	144	122	122	122	0

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of programs and services					
Objective					
Provide current records to the customer served					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of documents stored off-site which are retrieved within 24 hours	100	100	100	100	0
Percent of documents stored on-site which are retrieved within 30 minutes	100	100	100	100	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase accessibility to lifelong learning opportunities using existing city and school resources					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of residents attending Council meetings (estimate based on historical data)	120	120	120	120	0

Priority: Accessibility, Mobility and Connectivity					
Goal					
Increase access to city services and information					
Objective					
Assist the City Council in its public communications and effective execution of events					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of City Council regularly scheduled and committee meeting minutes published and available by next regular Council meeting (out of 29)	36	28	29	29	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,030,020	$1,013,725	$1,063,777	$1,080,001
Materials, Supplies and Repairs	$44,399	$48,054	$46,757	$48,082
Contractual Services	$279,532	$265,227	$242,026	$332,726
Equipment	$31,893	$29,483	$25,100	$45,100
Total	$1,385,844	$1,356,489	$1,377,660	$1,505,909

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $7,769 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Well-Managed Government

- **Adjust funds for promotional activities FY 2017 $105,000 FTE: 0**

  Provides funds for special events and City Council promotional activities. These activities include: City Council organizational meetings, State of the City Address, North Atlantic Treaty Organization Festival (NATOFest), Virginia Tattoo, Martin Luther King Jr. Celebration, and Legends of Music Walk of Fame events.

  Priority Area(s) Met: Well-Managed Government

- **Provide funds for citywide records storage contract FY 2017 $5,700 FTE: 0**

  Technical adjustment for the contractual increase of storage of records per the Library of Virginia code subsection 42.1-85 governing the retention and disposition of state and local public records.

  Priority Area(s) Met: Well-Managed Government

- **Adjust costs for Fleet expenditures** **FY 2017 $1,325** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $369** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 ($2,419)** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 $10,505** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

City Clerk **Total: $128,249** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Chief Deputy City Clerk	1 15	$55,210	$90,270	1	0	1
City Clerk	1 22	$83,400	$140,250	1	0	1
Deputy City Clerk / Administrative Analyst I	1 14	$51,000	$84,354	1	-1	0
Deputy City Clerk / Executive Assistant to the Mayor	1 20	$76,000	$123,930	1	1	2
Deputy City Clerk / Secretary	1 09	$33,770	$55,060	3	0	3
Deputy City Clerk / Secretary to the Mayor	1 12	$43,470	$70,890	1	-1	0
Deputy City Clerk / Senior Secretary	1 10	$36,605	$59,690	1	1	2
Deputy City Clerk / Stenographic Reporter	1 08	$31,180	$50,847	2	0	2
Micrographics Technician	1 04	$22,875	$37,301	1	0	1
Records & Information Clerk	1 04	$22,875	$37,301	1	0	1
Records Administrator	1 13	$46,885	$76,449	1	0	1
Total				14	0	14

City Real Estate Assessor

Mission Statement

The Office of the Real Estate Assessor annually assesses all real property in an equitable and uniform manner and provides timely and accurate information regarding property data and ownership records.

Department Overview

The city derives annual revenue as a result of taxes paid based on fair and equitable real estate values. The Office of the Real Estate Assessor provides an open environment in which residents can obtain accurate and up-to-date information, ensuring they are afforded a voice in the assessment process and consideration in final decisions. In addition, the office administers the Tax Abatement Program and serves as one of the information repositories for non-taxable properties.

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Ensure validity and integrity of the assessment process					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of continuing education hours completed by appraisal staff	12	132	120	120	0

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Assess all real property in the city in a fair, equitable and uniform manner					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of parcels assessed	73,324	73,327	73,365	73,365	0
Percent of total parcel assessments (annual and periodic formal review) successfully appealed (New measure for FY 2017)	0	0	0	2	2

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,910,662	$1,842,894	$1,920,674	$1,950,799
Materials, Supplies and Repairs	$44,313	$43,644	$46,736	$44,802
Contractual Services	$50,967	$51,185	$79,177	$79,177
Equipment	$8,627	$6,853	$12,889	$12,889
Total	$2,014,569	$1,944,576	$2,059,476	$2,087,667

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $13,683 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust costs for Fleet expenditures FY 2017 ($1,934) FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Annualize Phase II of ARMD compensation strategy FY 2017 $10,401 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust required contribution to the city's retirement system FY 2017 $7,470 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Update personnel expenditures** **FY 2017 ($1,429) FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

City Real Estate Assessor **Total: $28,191 FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Chief Deputy Real Estate Assessor	1 20	$76,000	$123,930	1	0	1
City Assessor	1 22	$83,400	$140,250	1	0	1
Geographic Information Systems Technician I	1 09	$33,770	$55,060	1	0	1
Programmer/Analyst V	1 16	$58,970	$96,145	1	0	1
Real Estate Appraisal Team Leader	1 16	$58,970	$96,145	2	0	2
Real Estate Appraiser I	1 10	$36,605	$59,690	1	-1	0
Real Estate Appraiser II	1 11	$40,005	$65,280	2	0	2
Real Estate Appraiser III	1 13	$46,885	$76,449	8	1	9
Real Estate CAMA Modeler Analyst	1 16	$58,970	$96,145	1	0	1
Real Estate Commercial Project Supervisor	1 17	$63,000	$102,816	1	0	1
Software Analyst	1 13	$46,885	$76,449	1	0	1
Support Technician	1 05	$24,685	$40,290	3	0	3
Total				24	0	24

City Auditor

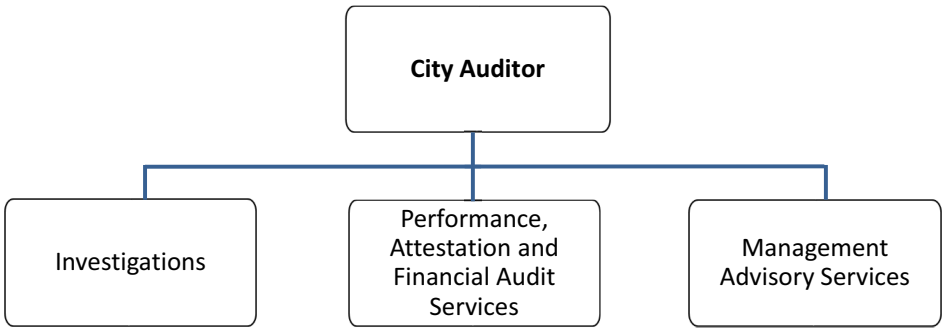
Mission Statement

The City Auditor provides independent professional internal auditing, management advisory, and consulting services to city departments, offices, and agencies to promote: full financial accountability, economy, efficiency, and effectiveness of city government operations and programs; compliance with applicable city, state, and federal laws and regulations; strong internal controls; and a sound risk management system.

Department Overview

The City Auditor's Office conducts professional audits and performs a variety of services including inquiries, investigations, and management advisory projects. Basic services include:

- Assessing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information
- Assessing the design and operation of the internal control system
- Evaluating the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the City of Norfolk
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets
- Appraising the economy and efficiency with which resources are applied
- Examining operations or programs to determine if results are consistent with established goals and whether the objectives are being carried out as planned
- Supporting, inquiring, and conducting investigations for fraud, waste, and abuse complaints received from the city's hotline from citizens and employees; a mechanism for reporting suspected unlawful and wasteful acts committed by city employees, vendors, et cetera
- Evaluating effectiveness of risk management
- Providing oversight of external auditors contracted for the city's annual financial audit and federal grants audit and the audits of Norfolk Public Schools, Economic Development Authority, and Norfolk Employees' Retirement System



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Office of the City Auditor primarily supports the Priority Area of Well-Managed Government. Actions in place to achieve the goals internally and externally, as well as to support well managed government principles and current operations and uphold the law include:

Ongoing Actions	Status
Complete annual audit work plan approved by City Council	Ongoing
Make recommendations to departments, based on the annual audit work plan, regarding ways to improve operations and internal control systems	Ongoing
Respond to fraud, waste, and abuse complaints	Ongoing

Performance Measures

Priority: Well-Managed Government

Goal

Provide continuous progressive and premier independent audit and related professional services in the most timely and efficient manner possible including investigations, inquiries, and management advisory

Objective

Identify ways to increase the economy, efficiency, effectiveness, and accountability of city government and provide independent reliable, accurate, and timely information to the City Council and other stakeholders

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Percent of the City Council approved work plan completed or substantially completed during the fiscal year	50	100	100	100	0
Percent of investigations completed where corrective action is needed as the result of a fraud, waste, or abuse complaint	100	100	100	100	0
Percent of audit recommendations accepted by management	95	95	95	95	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$788,973	$812,382	$818,285	$940,733
Materials, Supplies and Repairs	$3,565	$2,749	$3,744	$3,744
Contractual Services	$10,895	$15,860	$15,163	$15,163
Total	$803,433	$830,991	$837,192	$959,640

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $6,462 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Well-Managed Government

- **Add Assistant City Auditor II position FY 2017 $84,888 FTE: 1**

  Provide funds for an Assistant City Auditor II position to assist with the department's increased workload and training requirements.

  Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy FY 2017 $6,757 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Well-Managed Government

- **Adjust required contribution to the city's retirement system FY 2017 $19,492 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures FY 2017 $4,849 FTE: 0**

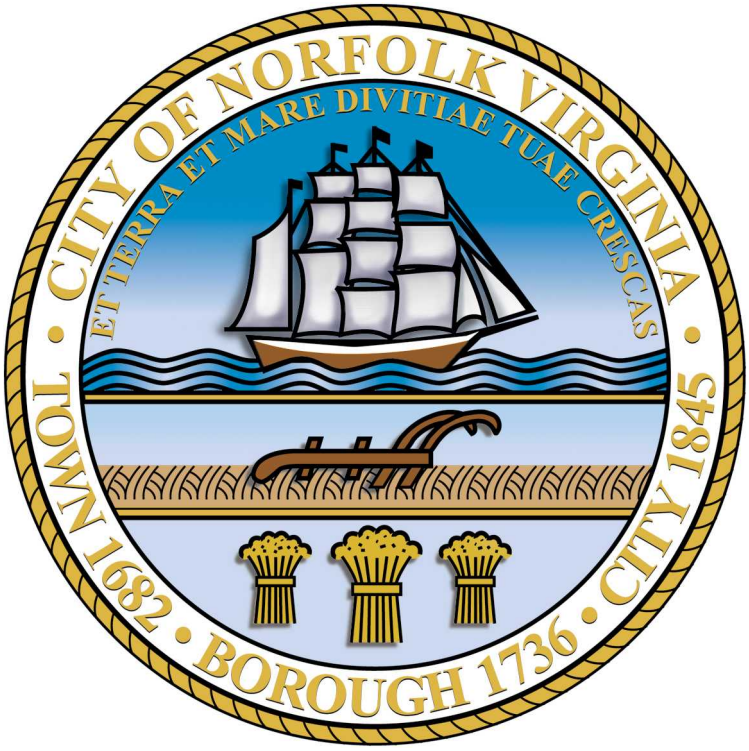
  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

City Auditor Total: $122,448 FTE: 1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Assistant City Auditor / Audit Analyst	1 13	$46,885	$76,449	1	0	1
Assistant City Auditor II	1 14	$51,000	$84,354	4	1	5
City Auditor	1 20	$76,000	$123,930	1	0	1
Deputy City Auditor	1 16	$58,970	$96,145	2	0	2
Total				8	1	9

Executive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City Manager

Mission Statement

The City Manager's Office is dedicated to providing quality service to all residents and businesses in the community; supporting and developing its diverse staff; and insuring that municipal services are furnished promptly, efficiently, and effectively throughout the city.

Department Overview

The Executive Office provides leadership and management of the organization in accordance with policies and direction of the City Council. Intergovernmental Relations provides liaison assistance between the city, other governmental legislatures, and agencies at the state and federal level; collaborates with Virginia delegation to the Congress to develop funding requests for City Council priorities; participates in coalition building; monitors, tracks, and reports on legislation and trends; and conducts policy analysis and process facilitation.

Actions to Achieve Long-Term Goals and Short-Term Objectives

The City Manager's Office provides organization-wide leadership and operates under the principles of a well-managed government in planning, developing, and delivering services and programs that support all City Council priorities. Actions in place that support city-wide efforts to implement City Council priorities include:

Ongoing Actions	Status
Create an environment for employees that promotes efficiency and effectiveness throughout the organization	Ongoing
Actively engage with the residents and employees to increase knowledge of the operations of the City or Norfolk organization	Ongoing
Achieve continued and sustainable financial stability	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of programs and services					
Objective					
Hold community outreach sessions with residents and employees to gather input for aligning and allocating resources to city programs and services					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of community engagement budget session attendees	97	929	100	100	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Network and identify opportunities for partnership among the city, local educational institutions, businesses, and community resources that will promote and expand lifelong learning for the city workforce and community members					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of residents and businesses participating in outreach initiatives about city issues	407	1,801	550	600	50

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,784,793	$1,842,705	$1,991,047	$1,978,813
Materials, Supplies and Repairs	$20,545	$22,183	$30,061	$24,036
Contractual Services	$278,488	$363,435	$284,098	$284,098
Equipment	$4,598	$464	$5,500	$5,500
Department Specific Appropriation	$67	$0	$0	$0
Total	$2,088,491	$2,228,788	$2,310,706	$2,292,447

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $15,209 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Well-Managed Government

- **Reduce personnel expenditures FY 2017 ($19,848) FTE: 0**

  Reduce expenditures in personnel due to vacancy savings. This action aligns the department budget with anticipated utilization. No impact on service delivery is anticipated.

  Priority Area(s) Met: Well-Managed Government

- **Adjust costs for Fleet expenditures FY 2017 ($6,025) FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy FY 2017 $16,306 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Well-Managed Government

- **Adjust required contribution to the city's retirement system FY 2017 $41,198 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures FY 2017 ($65,099) FTE: -1**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the transfer of the Manager of Public Relations to the Department of Communications and Technology. These are routine actions which occur at the beginning of the budget cycle.

City Manager Total: ($18,259) FTE: -1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant I	1 09	$33,770	$55,060	2	0	2
Administrative Assistant II	1 10	$36,605	$59,690	1	1	2
Assistant to the City Manager	1 20	$76,000	$123,930	2	0	2
City Manager*	1 29	*	*	1	0	1
Deputy City Manager	1 26	$110,250	$184,110	4	0	4
Director of Intergovernmental Relations	1 20	$76,000	$123,930	1	0	1
Management Analyst I	1 11	$40,005	$65,280	0	1	1
Management Analyst III	1 14	$51,000	$84,354	2	-1	1
Manager of Public Relations	1 17	$63,000	$102,816	1	-1	0
Support Technician	1 05	$24,685	$40,290	1	-1	0
Total				15	-1	14

*No salary range per compensation plan.

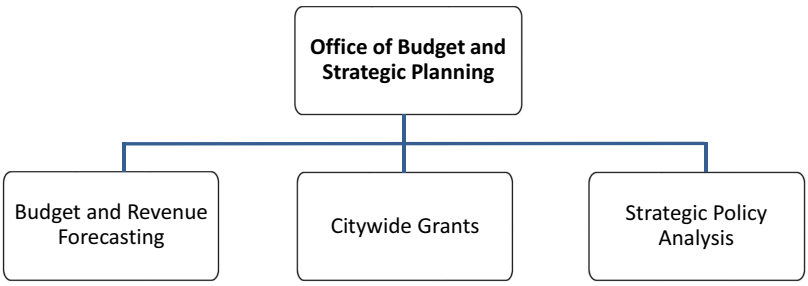
Office of Budget and Strategic Planning

Mission Statement

The Office of Budget and Strategic Planning is responsible for the preparation and submission of a balanced budget that supports the goals of the City Council. Through program evaluation and long-range planning, the office provides analysis for key decision makers. Operations are focused on budget development, policy analysis, and citywide grants management.

Department Overview

The Office of Budget and Strategic Planning monitors the current fiscal year's budget and assists departments on budgetary matters to ensure a balanced budget at year-end. The Budget Office through the program areas of: Budget and Revenue Forecasting, Economic and Policy Analysis, and Citywide Grants provides analytical service, demographic and geographic information support, and special project assistance for the City Manager. The office also works collaboratively with city departments and agencies in assessing organizational performance as well as partnering with departments and agencies to identify opportunities to improve the overall efficiency and effectiveness of city programs and services. Additionally, the office oversees the monitoring and support of citywide grant activity to leverage city resources with funds from federal, state, and philanthropic sources.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Office of Budget and Strategic Planning primarily supports the Priority Areas of Well-Managed Government and Lifelong Learning. Actions in place to achieve the long term goals of promoting strong financial management, diversifying the economic base, and supporting access to learning include:

Ongoing Actions	Status
Identify grant opportunities to diversify the revenue base	Ongoing
Provide a variety of information and training to residents and staff members to increase knowledge of the city's budget process and document	Ongoing
Lead city efforts to maintain sound fiscal stewardship	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Promote strong financial management					
Objective					
Prepare and submit a balanced budget that aligns decision making and resources which communicates the city's priorities					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent variance between forecast and actual revenue (New measure in 2017)	0	1	2	2	0
Percent variance between forecast and actual expenditures	0	0	0	2	2
GFOA Distinguished Budget award received	Yes	Yes	Yes	Yes	N/A
Objective					
Facilitate application for and processing of all grants received by the city to enhance fiscal stewardship					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of grant management training sessions and workshops	7	4	20	25	5
Dollar value of grants received for city programs (New measure for FY 2016)	0	0	16,750,000	17,000,000	250,000
Number of grant training participants	0	0	0	400	400
Percent of city department grant applications reviewed by the Grants Team	92	81	95	100	5

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase accessibility to lifelong learning opportunities using existing city and school resources					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants in training sessions provided by budget staff	177	125	100	100	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,355,451	$1,243,893	$1,421,985	$1,431,407
Materials, Supplies and Repairs	$8,830	$7,742	$10,725	$10,725
Contractual Services	$12,830	$22,914	$52,830	$40,292
Equipment	$4,135	$24,383	$655	$655
Total	$1,381,246	$1,298,932	$1,486,195	$1,483,079

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $8,991 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Well-Managed Government

- **Reduce funds for contractual services FY 2017 ($12,538) FTE: 0**

  Reduce funds for contractual services related to citywide performance measures. All performance measure tasks are handled with existing staff.

  Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy FY 2017 $12,097 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Well-Managed Government

- **Adjust required contribution to the city's retirement system FY 2017 $40,005 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures FY 2017 ($51,671) FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Office of Budget and Strategic Planning Total: ($3,116) FTE: 0

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Budget & Policy Analyst	1 13	$46,885	$76,449	4	1	5
Budget & Policy Analyst, Senior	1 15	$55,210	$90,270	3	0	3
Budget Team Leader	1 18	$67,350	$109,823	1	0	1
Budget Technician	1 09	$33,770	$55,060	1	0	1
Director of Budget & Strategic Planning	1 24	$92,800	$159,120	1	0	1
Economic & Policy Analyst	1 13	$46,885	$76,449	1	0	1
Economic Forecast Specialist	1 15	$55,210	$90,270	1	0	1
Grants Team Leader	1 18	$67,350	$109,823	1	0	1
Management Analyst I	1 11	$40,005	$65,280	1	-1	0
Management Analyst II	1 13	$46,885	$76,449	0	1	1
Management Analyst III	1 14	$51,000	$84,354	1	0	1
Policy Team Leader	1 18	$67,350	$109,823	1	0	1
Principal Analyst	1 17	$63,000	$102,816	2	-1	1
Total				18	0	18

Office of Resilience

Mission Statement

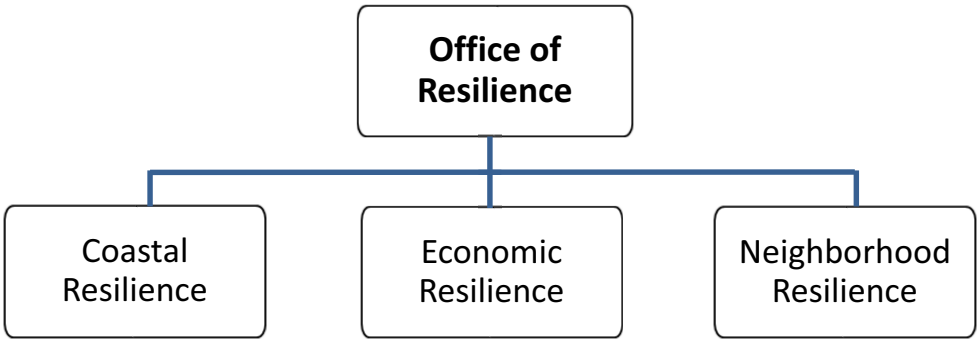
The Office of Resilience actively collaborates with city departments and community/business partners to enhance the city's capacity to proactively, effectively, and sustainably address issues arising from changing environmental and economic conditions.

Department Overview

The Proposed FY 2017 Budget creates the Office of Resilience as part of the city's increased focus on building a resilient community due to the changing climate, coupled with the effects of a slow economic rebound from the Great Recession on local businesses and neighborhoods. The new office is focused on initiatives that will prepare the city for climate change, strengthen the city's economic competitiveness, and ensure the highest quality of life possible for residents.

The city's resilience efforts began with the awarding of the Rockefeller Foundation's 100 Resilient Cities designation in December 2013. Driven by a community process, residents identified stresses and potential shocks and created a resilience strategy to mitigate the impacts. The strategy identifies three primary goals: 1) designing the coastal community of the future to live with the impacts of recurrent flooding; 2) creating economic opportunity by advancing efforts to grow existing and new sectors; and 3) advancing initiatives to connect communities, deconcentrate poverty, and strengthen neighborhoods.

In January 2016, the Commonwealth of Virginia was awarded a $120.5 million grant from the U.S. Department of Housing and Urban Development's (HUD) National Disaster Resilience Competition (NDRC) for resilience projects in the city. The grant will be used to implement innovative storm water and flood management strategies in the Ohio Creek Watershed in Chesterfield Heights and Grandy Village. The grant will also establish the Coastal Resilience Accelerator to serve as the hub for solving challenges related to water-related businesses, water management, and community revitalization. The office is also established to coordinate efforts of the NDRC grant.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Ongoing Actions	Status
Work collaboratively with city departments and community partners to move economic, environmental, and neighborhood enhancement initiatives forward	Ongoing

Performance Measures

Priority: Environmental Sustainability					
Goal					
Strengthen the capacity of the city to address environmental, economic, and neighborhood issues					
Objective					
Increase knowledge of resilience issues and tactics amongst city and community partners					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of community and city participants for Office of Resilience events and presentations (New measure in FY 2017)	0	0	0	500	500

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$0	$0	$0	$284,952
Department Specific Appropriation	$0	$0	$0	$50,000
Total	$0	$0	$0	$334,952

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$120,000,000 (Est.)	National Disaster Resilience Competition (To be received)	1

Proposed FY 2017 Budget Actions

- **Create Office of Resilience** **FY 2017 $334,952** **FTE: 3**

  Provide funds to support the new Office of Resilience for continued citywide resilience building efforts. The new department will collaborate with city departments and external partners to implement a community-driven resilience strategy designed to alleviate the impacts of recurrent flooding, advance economic opportunities, and strengthen neighborhoods. The office will consist of the Chief Resilience Officer, an Assistant Director, a Special Assistant, and a Geographic Information Systems Team Supervisor. The Chief Resilience Officer is supported by grant funds.

  Priority Area(s) Met: Well-Managed Government

Office of Resilience **Total: $334,952** **FTE: 3**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Assistant Director	1 21	$79,375	$132,090	0	1	1
Geographic Information Systems Team Supervisor	1 16	$58,970	$96,145	0	1	1
Special Assistant	1 20	$76,000	$123,930	0	1	1
Total				0	3	3

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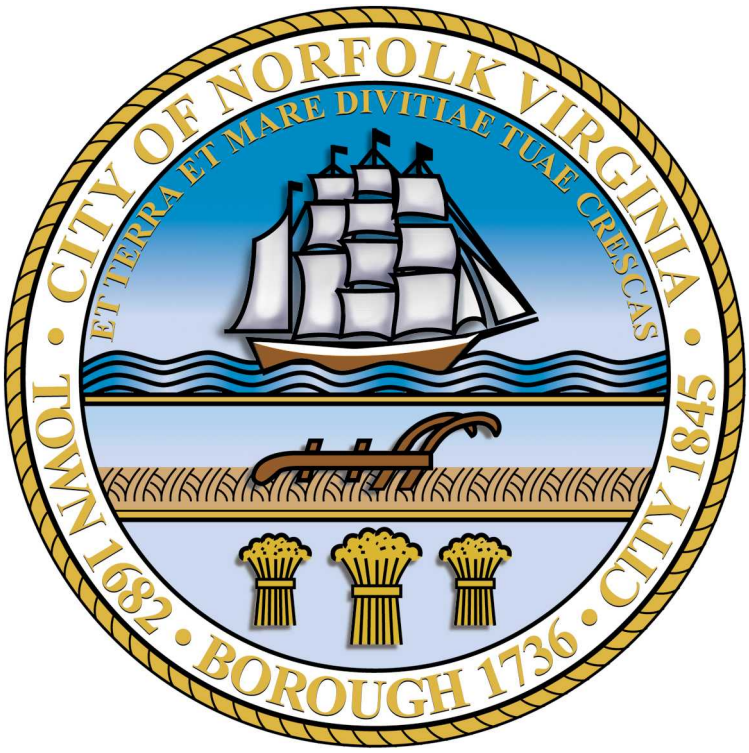
Department of Law



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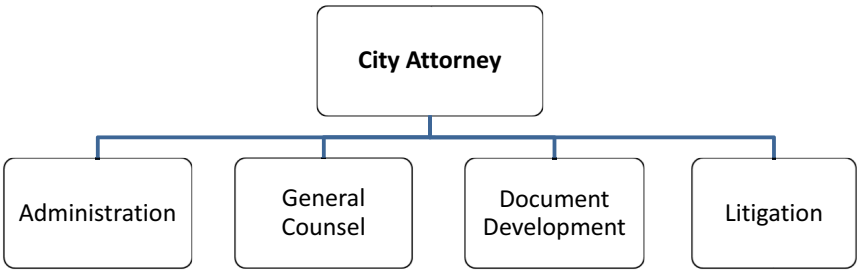
City Attorney

Mission Statement

The City Attorney's Office represents the city, the School Board, the Norfolk Employee's Retirement System, Chrysler Museum, Lake Taylor Hospital, and other boards and commissions in legal matters.

Department Overview

The office defends clients in litigation, files suits on behalf of clients, prepares legislation for consideration by City Council, provides advice, prepares contracts, and provides other legal services as necessary.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The City Attorney's Office supports the City Council's goal of a Well-Managed Government by representing the city, and various boards and commissions in all legal matters. Actions in place that support City Council Priorities include:

Ongoing Actions	Status
Provide excellent legal services on behalf of the City Council, boards, commissions, and city departments that support the principles of a well-managed government	Ongoing
Create an environment that promotes voluntary collection rates of taxes, fees, fines, and restitutions collected by the city	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Represent the city, School Board, Norfolk Employee's Retirement System, Community Services Board, Chrysler Museum, Lake Taylor Hospital, and other boards and commissions in litigation; draft and review municipal ordinances/resolutions, or contracts					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of new files opened	5,658	5,658	6,000	6,000	0
Number of files closed	5,829	5,829	6,000	6,000	0
Revenue collected from suits, city appeals, and general collections	7,200,000	7,200,000	7,500,000	7,500,000	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$3,859,270	$3,912,334	$3,976,396	$4,089,550
Materials, Supplies and Repairs	$64,812	$58,318	$69,096	$69,265
Contractual Services	$130,906	$158,407	$296,365	$296,365
Department Specific Appropriation	$34,166	$37,117	$44,712	$44,712
Total	$4,089,154	$4,166,176	$4,386,569	$4,499,892

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $31,580 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Well-Managed Government

- **Adjust costs for Fleet expenditures FY 2017 $169 FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $32,717** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $34,288** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 $14,569** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

City Attorney **Total: $113,323** **FTE: 0**

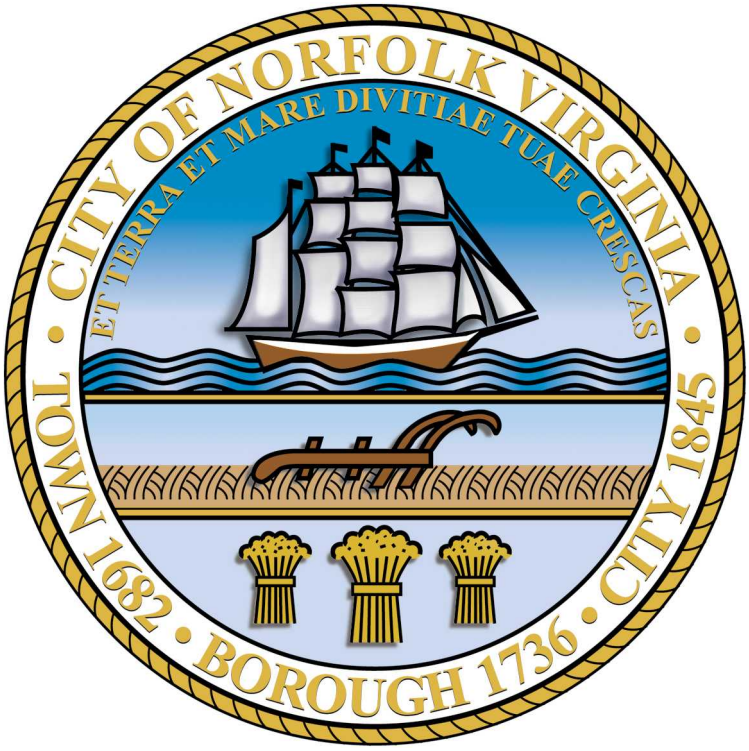
Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Assistant City Attorney I	1 16	$58,970	$96,145	2	1	3
Assistant City Attorney II	1 18	$67,350	$109,823	1	0	1
Assistant City Attorney III	1 20	$76,000	$123,930	5	-1	4
Business Manager	1 13	$46,885	$76,449	1	0	1
Chief Deputy City Attorney	1 26	$110,250	$184,110	1	0	1
City Attorney	1 28	$138,000	$224,400	1	0	1
Criminal Docket Specialist	1 09	$33,770	$55,060	1	0	1
Deputy City Attorney I	1 23	$87,935	$149,430	4	0	4
Deputy City Attorney II	1 24	$92,800	$159,120	5	0	5
Legal Administrator	1 15	$55,210	$90,270	1	0	1
Legal Coordinator I	1 11	$40,005	$65,280	2	0	2
Legal Coordinator II	1 13	$46,885	$76,449	1	0	1
Legal Secretary I	1 07	$28,815	$47,022	1	-1	0

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Legal Secretary II	1 09	$33,770	$55,060	4	1	5
Messenger/Driver	1 02	$19,705	$32,135	1	0	1
Paralegal Claims Investigator	1 12	$43,470	$70,890	1	0	1
Paralegal Generalist	1 09	$33,770	$55,060	1	0	1
Support Technician	1 05	$24,685	$40,290	1	0	1
Total				34	0	34

Constitutional Officers



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Commissioner of the Revenue

Mission Statement

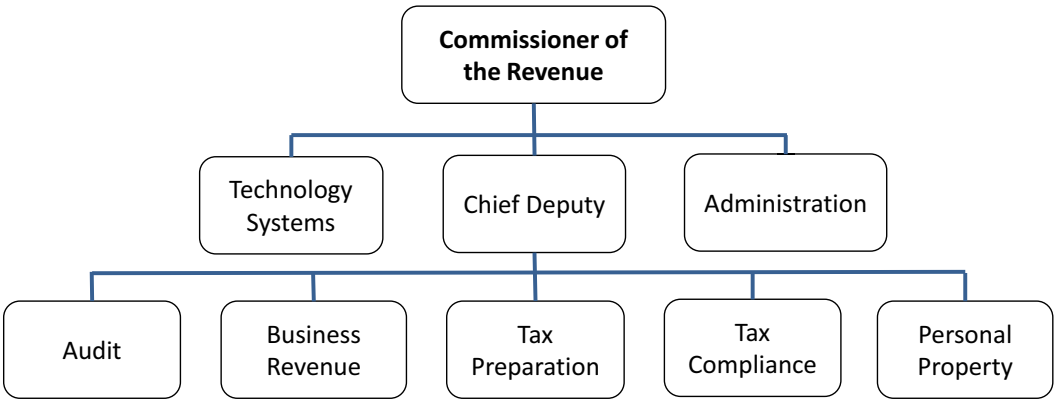
The Commissioner of the Revenue assesses various taxes pursuant to state and local law and strives to fairly and efficiently assist Norfolk residents and business owners in the following areas:

- Assessment of individual and business personal property
- Issuance and renewal of business licenses
- Administration of all fiduciary taxes
- Monitoring payment of taxes to ensure compliance
- Assistance with filing and processing of Virginia (state) income tax returns
- Providing Virginia Department of Motor Vehicles (DMV) service as a DMV Select location
- Investigating potential delinquent accounts
- Assistance with yard sale permits

Department Overview

The Commissioner of the Revenue is responsible for the equitable administration of local taxes with the exception of real estate taxes. The office assesses individual and business personal property taxes; issues business licenses; and assesses taxes on meals, lodging, cigarettes, admissions, and other special taxes. The office also provides services on behalf of the Virginia Department of Motor Vehicles through DMV Select. Through an arrangement with the Virginia Department of Transportation, the office is also an authorized seller of E-ZPass transponders.

The office is organized into divisions to effectively address workload and customer issues. Administration and Technology Systems report directly to the Commissioner. The Personal Property, Business Revenue, Audit, Tax Preparation, and Tax Compliance sections report directly to the Chief Deputy Commissioner of the Revenue, who directly reports to the Commissioner.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Commissioner of the Revenue primarily supports the Priority Areas of Well-Managed Government and Economic Vitality and Workforce Development. Actions in place to achieve the goals of maintaining a well-trained qualified workforce, enhancing the efficiency of programs and services, and diversifying and strengthening Norfolk's economic base include:

Ongoing Actions	Status
Focus efforts to increase use of the new online business portal and seek other ways to use technology to improve services and efficiency	Ongoing
Review and streamline internal processes to encourage business in Norfolk	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Expand, attract and retain business within Norfolk					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of annual business licenses	13,525	14,745	13,650	13,700	50

Priority: Lifelong Learning					
Goal					
Achieve a well-trained, qualified community workforce					
Objective					
Increase the skill and competence of employees of the Commissioner of the Revenue Office					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants in the statewide Career Development Program for Commissioners of the Revenue	34	38	36	37	1

Priority: Accessibility, Mobility and Connectivity					
Goal					
Enhance the efficiency of our programs and services					
Objective					
Opening business portal to integrate technology into our contact with Norfolk businesses					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of modules of the business portal tested and open for public use	3	3	6	7	1

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$2,648,426	$2,590,776	$2,706,696	$2,703,305
Materials, Supplies and Repairs	$199,964	$271,336	$241,186	$234,042
Contractual Services	$103,645	$93,846	$110,978	$110,978
Equipment	$10,706	$10,525	$2,400	$2,400
Total	$2,962,741	$2,966,483	$3,061,260	$3,050,725

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $19,741 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Well-Managed Government

- **Adjust costs for Fleet expenditures** **FY 2017 ($7,144)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $19,375** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $5,427** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 ($47,934)** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment; updated Virginia Retirement Systems expenses as a result of a reduction in the contribution rate from 10.55 percent to 9.14 percent; and the funds required to meet the minimum state compensation board salary requirements. These are routine actions which occur at the beginning of the budget cycle.

Commissioner of the Revenue **Total: ($10,535)** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Manager - COR	COR005	$58,373	$93,316	2	0	2
Chief Deputy - COR	COR006	$67,468	$118,743	1	0	1
Commissioner of the Revenue	COR007	$85,829	$136,468	1	0	1
Deputy I - COR	COR001	$26,657	$53,979	14	0	14
Deputy II - COR	COR002	$33,458	$67,985	11	1	12
Deputy III - COR	COR003	$42,525	$76,993	8	0	8
Supervising Deputy - COR	COR004	$54,706	$87,457	5	-1	4
Total				42	0	42

City Treasurer

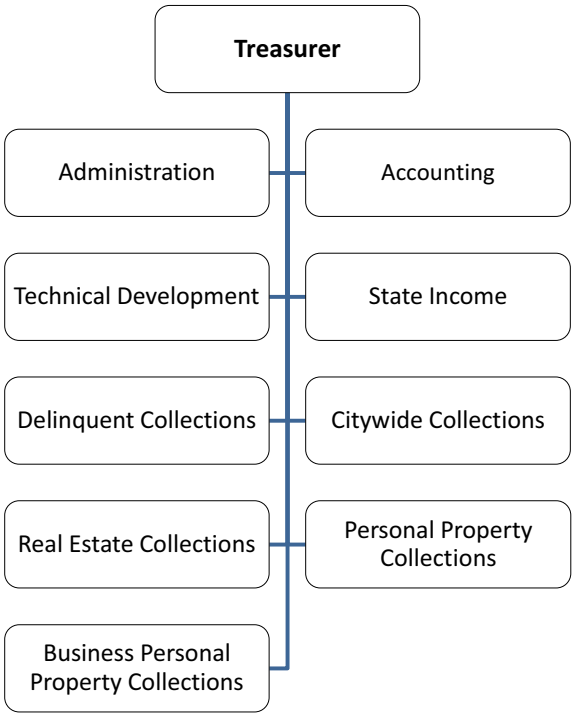
Mission Statement

The City Treasurer's mission is to provide superior service to the taxpayers of the City of Norfolk in the following areas:

- Enforce the collection of all taxes, levies, license taxes, animal licenses, rents, fees, and all other revenues accruing to the city
- Collect and report certain state taxes and revenues in accordance with state and city code
- Maintain records of all funds collected and deposited
- Provide professional and efficient service and assistance to the taxpayers and residents of the City of Norfolk

Department Overview

The City Treasurer mails out, receives, and processes payments for current and delinquent real estate taxes, personal property taxes, state income taxes, animal licenses, and various bills due to the city. In addition, the City Treasurer is the custodian of all city funds. All revenues of the government flow through this office for entry into the accounting ledgers.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The City Treasurer primarily supports the Priority Areas of Well-Managed Government and Economic Vitality and Workforce Development. Actions implemented to assist in achievement of long term goals, while saving taxpayers' money and assisting in generating revenue for the city, include:

Ongoing Actions	Status
Auction properties in order to provide investors and developers opportunity to grow within the city, while returning properties to the tax roll	Ongoing
Enhance existing and create new revenue collection methods to increase collection rates	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development

Goal

Diversify and strengthen Norfolk's economic base

Objective

Attract new residents to contribute to Norfolk's economic growth

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of properties auctioned (to provide investors and developers the opportunity to grow within the city and return properties to the tax rolls)	400	300	400	400	0

Priority: Well-Managed Government

Goal

Achieve a reputation internally and externally as a well-managed government

Objective

Maintain a level of performance in the collection of current revenues with a strong emphasis on increasing delinquent collections

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Personal property tax collection rate	98	98	98	98	0
Real property collection rate	101	98	100	100	0
Delinquent personal property collection rate	97	99	98	98	0
Delinquent real property collection rate	97	98	98	98	0

Priority: Lifelong Learning					
Goal					
Achieve a well-trained, qualified community workforce					
Objective					
Create a comprehensive short and long term community workforce plan outlining workforce skills needed by area employers					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of staff participating in career development to increase knowledge of city code and state code	18	14	20	25	5

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,746,188	$1,815,781	$1,897,083	$1,929,023
Materials, Supplies and Repairs	$163,903	$160,034	$175,853	$175,853
Contractual Services	$406,231	$271,727	$304,980	$304,980
Total	$2,316,322	$2,247,543	$2,377,916	$2,409,856

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $15,881 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy FY 2017 $15,103 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 $956 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment; updated Virginia Retirement Systems expenses as a result of a reduction in the contribution rate from 10.55 percent to 9.14 percent; and the funds required to meet the minimum state compensation board salary requirements. These are routine actions which occur at the beginning of the budget cycle.

City Treasurer **Total: $31,940 FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant II - TR	TRO003	$36,603	$58,519	3	0	3
Accountant III - TR	TRO004	$48,159	$76,993	1	0	1
Accounting Manager - TR	TRO006	$58,373	$93,316	1	0	1
Accounting Technician - TR	TRO001	$24,683	$39,458	4	0	4
Accounting Technician Supv - TR	TRO003	$36,603	$58,519	1	0	1
Chief Deputy Treasurer	TRO007	$62,332	$99,645	2	0	2
City Treasurer	TRO008	$85,829	$136,468	1	0	1
Customer Service Representative - TR	TRO001	$24,683	$39,458	1	0	1
Division Manager - TR	TRO005	$51,309	$82,024	3	0	3
Fraud Investigator - TR	TRO004	$48,159	$76,993	1	0	1
Office Manager - TR	TRO004	$48,159	$76,993	0	1	1
Senior Accounting Technician - TR	TRO002	$26,657	$42,618	13	-1	12
Total				31	0	31

*FY 2016 includes technical corrections based on the FY2015 Compensation Plan

Clerk of the Circuit Court

Mission Statement

The Clerk of the Circuit Court provides an efficient, resident-friendly organization employing e-government technologies when available to enhance service delivery and maximize operational efficiency; provides recordation and maintenance of all required public records; provides support for the adjudication of all cases brought before the Circuit Court; and accomplishes all other duties of the Clerk as required by law.

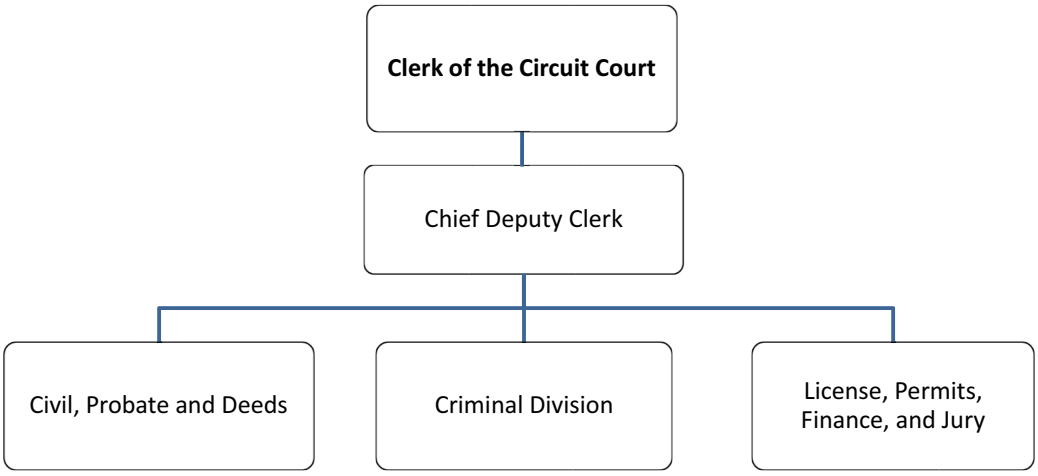
Department Overview

Executive: Includes the Clerk of Court, Chief Deputy Clerk and Executive Assistant. Manages the day-to-day operations of the Clerk's Office and oversees all personnel, policies, and procedures.

Civil, Probate, and Deeds Division: Handles disputes between individuals, groups or corporations where monetary damages are alleged; handles cases involving custody, divorce, adoptions, and property ownership; manages all estate and will transactions; meets with the public during times of extreme loss and/or hardship; records all transfers of land records, certificates of satisfaction and powers of attorney; and maintains the Land Record Indexing and the remote access systems.

Criminal Division: Handles all formal presentations, indictments, and information related to felony criminal offenses and appealed misdemeanors committed within the circuit.

License, Permits, Finance, and Jury Division: Handles all issues related to the issuance of any licenses, permits, and notaries. Acts as primary interface between the Clerk's Office and the general public. The comptroller is a part of this division with the primary responsibility of oversight of all financial functions of the Clerk's Office including, but not limited to, daily receipts, bank reconciliations, trust accounts, billing statements, and remote access fees.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Ongoing Actions	Status
Enhance access to the court through implementation of an electronic filing system	Ongoing

Performance Measures

Priority: Well-Managed Government

Goal

Enhance the efficiency of programs and services

Objective

Complete the digitization of civil case files, appeals files, and other papers held by the Clerk

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Percent of case files, appeals, and other papers held by the Clerk that are digitized	28	100	100	100	0

Objective

Implement electronic filing in conjunction with the Supreme Court of Virginia to provide a portal for the electronic filing of civil cases. Begin development of the business rules to extend electronic filing to the criminal division

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Percent of milestones of the electronic file implementation plan achieved	17	45	100	100	0

Priority: Accessibility, Mobility and Connectivity

Goal

Enhance residents' access to goods and services

Objective

Complete implementation of the online system for Circuit Court Clerk's Office users to report service issues, problems, and make requests, and provide greater access to the home-bound, senior citizens and others

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of responses to reports of service issues, problems, or requests made by users	309	769	800	900	100

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$2,459,947	$2,499,713	$2,694,028	$2,730,838
Materials, Supplies and Repairs	$86,247	$69,617	$147,391	$147,391
Contractual Services	$278,423	$306,630	$298,087	$298,087
Equipment	$9,750	$9,468	$15,000	$15,000
Department Specific Appropriation	$0	$0	$34	$34
Total	$2,834,367	$2,885,428	$3,154,540	$3,191,350

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $19,858 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general can constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $20,929 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures FY 2017 ($3,977) FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment; updated Virginia Retirement Systems expenses as a result of a reduction in the contribution rate from 10.55 percent to 9.14 percent; and the funds required to meet the minimum state compensation board salary requirements. These are routine actions which occur at the beginning of the budget cycle.

Clerk of the Circuit Court Total: $36,810 FTE: 0

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant - CC	CCC005	$36,603	$58,519	4	0	4
Administrative Manager - CC	CCC007	$54,706	$87,457	1	0	1
Applications Manager - CC	CCC009	$67,468	$118,743	1	0	1
Cashier - CC	CCC002	$26,657	$42,618	2	0	2
Chief Deputy Circuit Court	CCC009	$67,468	$118,743	1	0	1
Clerk of the Circuit Court	CCC010	$85,829	$136,468	1	0	1
Comptroller - CC	CCC008	$58,373	$93,316	1	0	1
Deputy Clerk I - CC	CCC001	$24,683	$39,458	11	2	13
Deputy Clerk II - CC	CCC002	$26,657	$42,618	13	-2	11
Deputy Clerk III - CC	CCC003	$28,816	$46,065	5	0	5
In Court Clerk - CC	CCC004	$33,767	$53,979	6	0	6
Supervising Deputy Clerk - CC	CCC007	$54,706	$87,457	3	0	3
Total				49	0	49

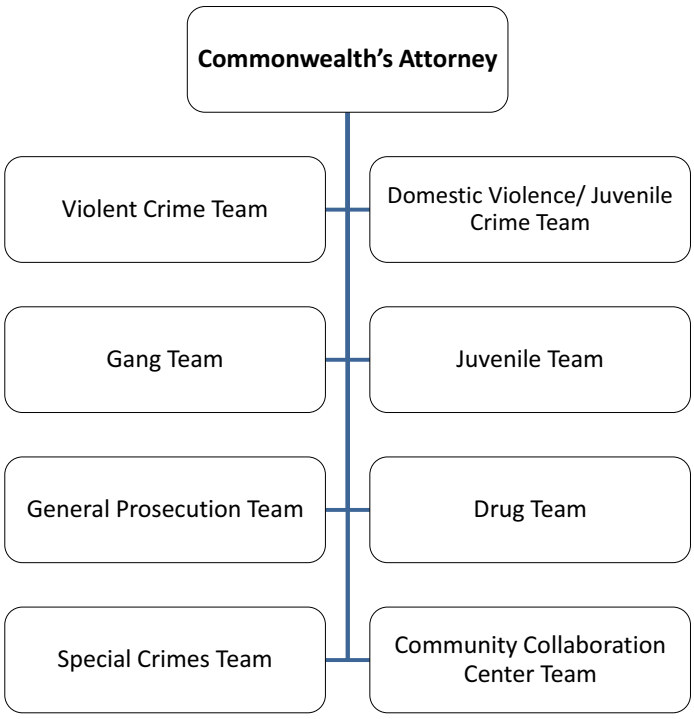
Commonwealth's Attorney

Mission Statement

The Norfolk Commonwealth's Attorney vigorously pursues justice on behalf of all who live, work, and play in the City of Norfolk and the Commonwealth of Virginia to enhance their safety and quality of life through the efficient, effective, and ethical prosecution of defendants and comprehensive representation of crime victims and witnesses.

Department Overview

The duties and responsibilities required by state law are led by the Commonwealth's Attorney and are supported by prosecutors, paralegals, legal secretaries, victim/witness advocates, and other professionals. The Commonwealth's Attorney utilizes a team approach for the organization. All staff are assigned to one of eight prosecution teams: Community Collaboration Center Team, Drug Team, Gang Team, General Prosecution Team, Juvenile Team, Domestic Violence/Juvenile Violent Crime Team, Special Crimes Team, and Violent Crime Team. The Victim/Witness Assistance Program employs advocates to serve as liaisons between prosecutors, victims, and witnesses in cases, assist victims with compensation forms and referrals to community services, and to promote awareness of victims' rights in the community.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Office of the Norfolk Commonwealth's Attorney primarily supports the Priority Areas of Safe, Healthy, and Inclusive Neighborhoods; Well-Managed Government; and Lifelong Learning. Actions in place to achieve the long term goals of providing a safe environment for residents, educating residents about laws, and modifying office operations to enhance efficiency include:

Ongoing Actions	Status
Add Veterans Track to Drug Court to further develop Norfolk Circuit Court's Community Courts/ Dockets Program	Ongoing
Assist residents who have been victimized by crime in securing appropriate financial reimbursement through the Virginia Criminal Injuries Compensation Fund (CICF)	Ongoing
Integrate specialized resources into the daily prosecution of criminal cases to prevent recidivism	Ongoing
Teach youth in Norfolk's public and private schools about Virginia laws and help them develop skills needed to make sound decisions	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities

Goal

Provide a safe environment for residents, workers, and visitors through the efficient, effective, and ethical prosecution of defendants and comprehensive representation of crime victims and witnesses

Objective

Prosecute all felony charges and some misdemeanor charges resulting from violations of the Criminal Code of Virginia which occur in the City of Norfolk

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of sentencing events per fiscal year	1,262	1,189	1,992	1,992	0

Objective

Ensure appropriate financial reimbursement is provided to residents who have been victimized by crime and who have applied and been awarded funds through the Virginia Criminal Injuries Compensation Fund (CICF)

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Total compensation awarded to victims who received reimbursement from CICF	120,698	111,542	75,000	75,000	0

Objective

Operate the Community Collaboration Center (CCC) to evaluate and integrate specialized resources into the daily prosecution of criminal cases to prevent recidivism

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of defendants participating in Drug Court	79	29	73	73	0
Number of participating defendants in Mental Health docket	40	20	53	53	0
Number of participating defendants in Offender Re-Entry docket	37	12	35	35	0

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of programs and services					
Objective					
Integrate and streamline technology and office practices to create a paperless environment, while keeping with the advancements of local, state, and federal courts					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of legal documents filed electronically with various courts	10	10	10	10	0
Percent of documents used electronically with defense attorneys regarding criminal cases	95	95	95	95	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Operate the Virginia Rules Educational Program to teach youth in Norfolk's public and private schools about Virginia laws and help them develop skills needed to make sound decisions					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of youth who complete the Virginia Rules program (Grant funding ended in FY 2015, limiting enrollment in FY 2016 and beyond.)	4,000	1,746	672	672	0
Number of volunteers qualified to teach VA Rules Program	70	60	29	29	0
Objective					
Host law school students as legal interns and criminal justice or social work college majors as victim/witness advocate interns to encourage interest in a career in public service while providing project support to employees					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of victim/witness advocate interns	5	4	5	5	0
Number of interns who return as employees	1	5	2	2	0
Number of legal interns	12	14	15	15	0
Objective					
Conduct a monthly, in house continuing legal education program for prosecutors to ensure they are operating with the most accurate information and resources available during the daily course of business					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of scheduled in-house training meetings (two scheduled per month)	24	24	24	24	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$5,180,971	$5,099,805	$5,105,518	$5,065,464
Materials, Supplies and Repairs	$249,928	$243,599	$242,711	$242,190
Contractual Services	$151,632	$124,298	$107,255	$104,855
Equipment	$21,533	$18,089	$25,789	$60,889
Total	$5,604,064	$5,485,790	$5,481,273	$5,473,398

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$506,092	Department of Criminal Justice Victim/Witness Assistance	10
		Violence Against Women's Act - Prosecution	
		Virginia Domestic Violence Victim Fund	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $52,951 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support case management system enhancements FY 2017 $35,100 FTE: 0**

  Provide one-time funds for case management system enhancements, which include additional storage, electronic subpoena module, and interface with the Police records management system.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Increase Constitutional Officer salary FY 2017 $5,448 FTE: 0**

  Provide funds to increase the salary of the Commonwealth's Attorney effective July 8, 2016.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Reduce non-funded state positions** **FY 2017 ($177,457)** **FTE: -3**

  Eliminate three state-supported Assistant Attorney I positions, as a result of a caseload review conducted by the State Compensation Board. The annual review is used to set staffing standards for each of the Commonwealth's Attorneys offices. This reduction follows the direction of the Commonwealth. A corresponding revenue reduction has been made.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 ($2,921)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $47,110** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $2,199** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $29,695** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment; updated Virginia Retirement Systems expenses as a result of a reduction in the contribution rate from 10.55 percent to 9.14 percent; and the funds required to meet the minimum state compensation board salary requirements. These are routine actions which occur at the beginning of the budget cycle.

Commonwealth's Attorney **Total: ($7,875)** **FTE: -3**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Assistant Commonwealth's Attorney I	CWA009	$53,282	$84,719	10	-3	7
Assistant Commonwealth's Attorney II	CWA010	$62,408	$99,226	9	0	9
Assistant Commonwealth's Attorney III	CWA011	$73,155	$116,317	8	0	8
Chief Deputy Commonwealth's Attorney	CWA013	$95,519	$151,877	1	0	1
Commonwealth's Attorney	CWA014	$134,685	$214,150	1	0	1
Deputy Commonwealth's Attorney	CWA012	$85,829	$136,468	5	0	5
Director of Communications - CWA	CWA007	$45,240	$72,316	1	-1	0
Executive Secretary/Assistant - CWA	CWA007	$45,240	$72,316	2	0	2
Legal Administrator - CWA	CWA008	$51,448	$82,315	2	1	3
Legal Assistant - CWA	CWA006	$39,715	$63,486	1	0	1
Legal Secretary I - CWA	CWA002	$28,816	$46,066	7	0	7
Legal Secretary II - CWA	CWA004	$33,766	$53,484	5	0	5
Paralegal - CWA	CWA004	$33,766	$53,484	8	0	8
Victim / Witness Coordinator	CWA002	$28,816	$46,066	1	0	1
Total				61	-3	58

Sheriff and Jail

Mission Statement

The Norfolk Sheriff's Office serves the residents of Norfolk by: providing for the incarceration of adult offenders using methods that protect public safety; maintaining institutional safety in a cost-effective manner that meets statutory and constitutional standards; providing services and programs for inmates seeking assistance, with the intent to reduce recidivism; providing a safe and secure environment for the Juvenile Courts, Circuit Courts, and the District Courts of the City of Norfolk; ensuring that order and decorum are maintained during all court proceedings; and providing for the timely service of all process and criminal warrants received by the Norfolk Sheriff's Office.

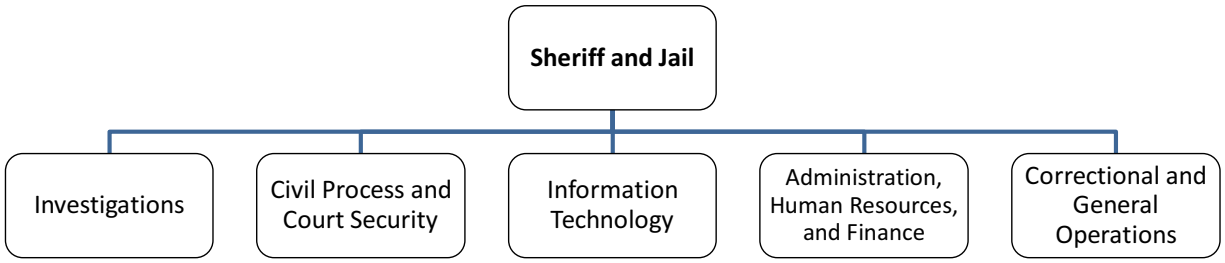
Department Overview

The Norfolk Sheriff's Office is required by the Virginia Constitution to operate in three capacities: maintain a safe and secure jail facility; ensure public safety in the Norfolk court system; and execute various types of civil processes. In addition, the Norfolk Sheriff's Office provides services and programs to incarcerated offenders with the intent to reduce recidivism. The Norfolk Sheriff's Office also provides residents with community and crime prevention programs.

Civil Process and Court Security: The purpose of civil process is to provide timely notice to a person or legal entity of pending legal action in which they may be involved, including civil subpoenas and warrants, writs, and eviction notices. Court security is provided to all three Norfolk court systems.

Community Corrections: The Inmate Workforce and Work Release Programs provide an opportunity for qualified inmates to receive credit for fines and court costs, receive job training, earn early release credit, secure paid employment and be considered for home electronic monitoring. These programs also help reduce jail overcrowding and introduce a work ethic to young inmates. The Weekender Work Program allows inmates to provide community service during weekend days as an alternative to serving consecutive days in jail, allowing them to maintain gainful employment.

Community Affairs: The Norfolk Sheriff's Office works within the community by offering programs and services to the residents of Norfolk.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Ongoing Actions	Status
Reduce jail overcrowding, while providing community service and manpower savings to the city through the Inmate Work Force and Work Release Programs, the Weekender Work Program, and the Global Positioning Electronic Monitoring Program	Ongoing
Provide a range of vocational and technical skill enhancement programming and job opportunities to inmates to enhance post-sentence outcomes	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development

Goal

Diversify and strengthen Norfolk's economic base

Objective

Eliminate barriers to employment

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of graduates from jail programming (GED, Life Skills, Reentry and Cognitive Behavior training)	501	355	465	475	10

Priority: Well-Managed Government

Goal

Achieve a reputation internally and externally as a well-managed government

Objective

Reduce jail overcrowding while providing community service and manpower savings to the city through the Inmate Work Force and Work Release Programs, the Weekender Work Program, and the Global Positioning System Electronic Monitoring Program

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Increase percent of eligible inmates participating in jail programs	21	24	25	30	5
Number of jail cells made available for more serious offenders as a result of eligible inmates serving their jail sentence on electronic monitoring	11,178	8,388	12,000	12,000	0
Total dollar value to the city of work performed through the Sheriff's Inmate Workforce	1,942,380	1,678,032	1,950,000	1,950,000	0
Total number of labor hours provided by Sheriff's Inmate Workforce to perform city services	198,000	171,100	198,000	200,000	2,000

Priority: Lifelong Learning					
Goal					
Achieve a well-trained, qualified community workforce					
Objective					
Increase vocational and technical skills training opportunities for Norfolk residents within areas identified in the community workforce plan					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of offenders placed in paying jobs within the business community	259	142	200	200	0
Total number of vocational training hours for offenders	198,000	171,100	198,000	200,000	2,000
Number of city landscaping sites maintained by inmate work crews in partnership with Recreation, Parks, and Open Space	216	864	200	216	16

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$25,960,002	$25,298,485	$26,428,927	$26,575,461
Materials, Supplies and Repairs	$7,552,394	$7,100,042	$7,801,005	$7,882,995
Contractual Services	$451,689	$599,810	$499,584	$499,584
Equipment	$243,151	$706,004	$385,258	$385,258
Department Specific Appropriation	$4,843,330	$5,756,590	$5,753,334	$5,844,584
Total	$39,050,566	$39,460,930	$40,868,108	$41,187,882

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$1,444,142	Inmate Commissary Account	15
		Sheriff's Community Correction Program	
		State Criminal Alien Assistance Program	
		U.S Marshal Service	

- **Implement Phase III of ARMD compensation strategy FY 2017 $221,203 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust funds for medical expenditures FY 2017 $71,033 FTE: 0**

  Technical adjustment to provide additional funds for anticipated increase in medical expenditures.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support regional jail per diem increase FY 2017 $91,250 FTE: 0**

  Technical adjustment to provide funds for a per diem rate increase for the Hampton Roads Regional Jail (HRRJ). The HRRJ per diem rate will increase annually by one dollar, from $63 to $64 in FY 2017. Annual increases of one dollar will continue through FY 2021. The city's contractual agreement is to pay per diem costs for 250 inmates per month. This increase equates to $91,250 for FY 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Remove one-time funds for courthouse construction personnel FY 2017 ($97,068) FTE: 0**

  Remove one-time funds provided in FY 2016 to support additional personnel during courthouse construction.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures FY 2017 $10,957 FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $275,426 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $1,460** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 ($254,487)** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment; updated Virginia Retirement Systems expenses as a result of a reduction in the contribution rate from 10.55 percent to 9.14 percent; and the funds required to meet the minimum state compensation board salary requirements. These are routine actions which occur at the beginning of the budget cycle.

Sheriff and Jail **Total: $319,774** **FTE: 0**

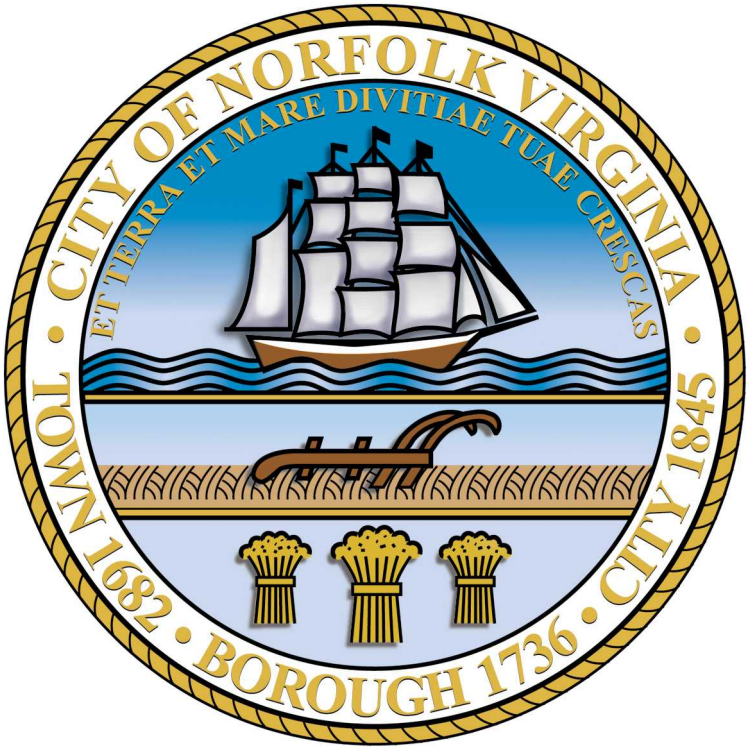
Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Assistant Inmate Classification Manager	SHC011	$42,155	$67,011	2	0	2
Assistant Procurement Specialist	SHC009	$35,706	$56,760	2	1	3
Corrections Director	SHF007	$52,753	$83,861	2	1	3
Deputy Sheriff	SHF002	$33,637	$52,827	273	-8.3	264.8
Deputy Sheriff (Captain)	SHF006	$51,580	$81,351	14	-2	12
Deputy Sheriff (Colonel)	SHF008	$65,529	$103,525	0	1	1
Deputy Sheriff (Corporal)	SHF003	$36,974	$58,130	37	-2	35
Deputy Sheriff (Lieutenant Colonel)	SHF008	$62,461	$98,647	3	0	3
Deputy Sheriff (Lieutenant)	SHF005	$44,707	$70,422	18	0	18
Deputy Sheriff (Major)	SHF007	$54,105	$85,370	5	1	6
Deputy Sheriff (Master)	SHF002	$33,637	$52,827	39	2	41
Deputy Sheriff (Sergeant)	SHF004	$42,630	$67,121	21	-7	14
Education Program Manager	SHC011	$42,155	$67,011	4	0	4
Electronic Surveillance Supervisor	SHC007	$33,030	$52,505	4	-2	2
Grievance Coordinator	SHC010	$38,236	$60,781	1	0	1
Human Resources & Budget Director	SHC014	$48,799	$77,575	1	0	1
Information Technology Systems Director	SHC017	$58,962	$94,258	1	0	1
Inmate Classification Manager	SHC013	$46,476	$73,880	5	1	6
Inmate Classification Specialist	SHF002	$38,236	$60,781	6	1	7

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Inmate Rehabilitation Coord	SHC012	$44,000	$70,500	0	1	1
Legal Counsel	SHC010	$50,242	$79,873	1	0	1
Microcomputer Systems Analyst - SC	SHC008	$34,681	$55,130	4	1	5
Network Engineer - SC	SHC016	$52,753	$83,861	1	0	1
Procurement Specialist - SC	SHC010	$38,236	$60,781	1	1	2
Public Affairs Officer	SHC011	$42,155	$67,011	1	0	1
Records Clerk	SHC002	$24,647	$39,180	1	0	1
Secretary I	SHC003	$27,174	$43,196	4	-1	3
Secretary II	SHC005	$29,959	$47,623	21	11.3	32.3
Secretary to the Sheriff	SHC006	$31,457	$50,005	1	0	1
Sheriff	SHC018	$85,829	$136,468	1	0	1
Work Release Crew Supervisor	SHF001	$32,703	$51,342	1	0	1
Total				475	0	475

Judicial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General District Court

Mission Statement

The General District Court adjudicates all matters within its purview concerning the residents of Norfolk uniformly by judge without regard to personal considerations in an efficient and professional manner.

Department Overview

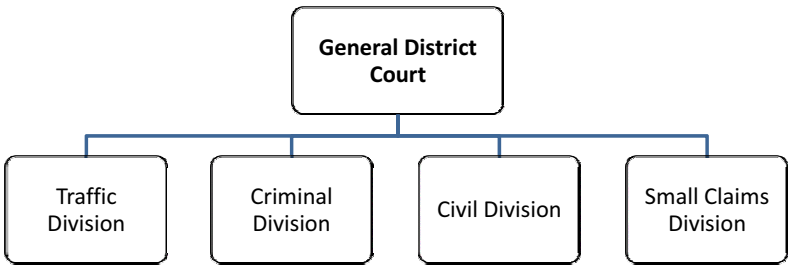
The Norfolk General District Court has four divisions: Criminal, Civil, Small Claims and Traffic.

Criminal Division: Implements state law and city ordinances (except traffic-related cases) holds preliminary hearings in felony cases, and conducts trials in misdemeanor cases and health and housing code violations. Mental health hearings are also heard under this division.

Civil Division: Hears cases not exceeding $25,000. Other cases include claims to specific personal property or any debt, fine or other money, damages for breach of contract, or for injury to a person.

Traffic Division: Processes motor vehicle related cases under state law and city ordinances; holds preliminary hearings in felony cases; and conducts trials for misdemeanors, traffic infractions and parking violations.

Small Claims Division: Hears civil cases in which the plaintiff is seeking a monetary judgment or personal property recovery claim up to $5,000.



Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Materials, Supplies and Repairs	$19,774	$22,356	$18,226	$18,226
Contractual Services	$190,519	$180,985	$248,516	$248,516
Equipment	$1,951	$6,926	$1,000	$1,000
Total	$212,244	$210,267	$267,742	$267,742

*No proposed budget actions for FY 2017.

Juvenile and Domestic Relations Court

Mission Statement

The mission of the Norfolk Juvenile and Domestic Relations Court is to administer justice with equality and integrity, to resolve matters before the court in a timely manner with highly trained and motivated staff, and to provide courteous and prompt service in a manner that inspires public trust and confidence.

Department Overview

The Juvenile and Domestic Relations District Court has exclusive jurisdiction over individuals under the age of eighteen; such cases are referred to as delinquency cases. The Juvenile and Domestic Relations District Court has jurisdiction of all misdemeanor offenses committed by one family or household member against another. The primary responsibilities of the Chief Judge of the Norfolk Juvenile and Domestic Relations Court include court administration, as well as presiding over cases set before the court.

Actions to Achieve Long-Term Goals and Short-Term Objectives

The Norfolk Juvenile and Domestic Relations District Court supports the Priority Area of Safe, Healthy, and Inclusive Communities through the provision of an accessible, safe, and responsible forum for the just resolution of disputes. Actions in place to provide more efficient and effective services to the residents of Norfolk, as well as city and state agencies, include:

Ongoing Actions	Status
Continue implementing the scanning of all case types, in order to begin making progress toward becoming paperless on said files	Ongoing
Continue implementation of e-filing, which will allow attorneys, as well as state and city agencies, to file case documents electronically with the court	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Provide a safe environment for residents, workers, and visitors					
Objective					
Provide court services for juvenile and domestic relations cases					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of new cases heard	21,000	18,020	27,000	28,000	1,000

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Materials, Supplies and Repairs	$22,570	$20,687	$30,074	$30,074
Contractual Services	$23,182	$22,816	$33,781	$33,781
Equipment	$14,923	$17,115	$15,938	$15,938
Total	$60,675	$60,619	$79,793	$79,793

*No proposed budget actions for FY 2017.

Circuit Court Judges

Mission Statement

The Circuit Court Judges ensure that all of the residents of Norfolk and others who are affected by judicial processes are provided with an independent, accessible, and responsible forum for the just resolution of disputes and to preserve the rule of law while protecting residents' rights and liberties.

Department Overview

Circuit Court Judges ensure that all persons who appear before the court are provided with an independent, accessible, and responsible forum for the just resolution of disputes, the rule of law is preserved, and the rights and liberties guaranteed by the United States and Virginia constitutions are protected. Adopting problem solving court strategies in conjunction with other criminal justice system partners, the Circuit Court has established Mental Health Court, Drug Court, and Reentry Court dockets with veterans and co-occurring tracks. These are specialized dockets for the assessment and treatment of nonviolent offenders. A high volume of felony and civil cases are heard by the Circuit Court of Norfolk Judges, which makes the Fourth Circuit one of the largest and busiest courts in the Commonwealth of Virginia.

Actions to Achieve Long-Term Goals and Short-Term Objectives

Ongoing Actions	Status
Maintain number of cases heard	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Provide a safe environment for residents, workers, and visitors					
Objective					
Preserve the rule of law and protect the rights and liberties guaranteed by the United States and Virginia Constitutions. Ensure that residents who appear before the court are provided a forum for the just resolution of disputes					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of cases heard	20,445	20,700	21,000	21,300	300

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$654,345	$664,205	$666,899	$689,937
Materials, Supplies and Repairs	$7,714	$5,425	$3,538	$3,538
Contractual Services	$12,012	$6,431	$5,512	$5,512
Equipment	$923	$1,335	$2,037	$2,037
Department Specific Appropriation	$0	$0	$78,500	$78,500
Total	$674,994	$677,395	$756,486	$779,524

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$410,200	SAMSHA Specialty Court Grant	7
		Supreme Court of Virginia Drug Court Grant	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $5,907 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general can constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $4,457 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $3,916** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $8,758** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Circuit Court Judges **Total: $23,038** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Legal Assistant	1 11	$40,005	$65,280	1	0	1
Legal Secretary II	1 09	$33,770	$55,060	3	0	3
Management Services Administrator	1 18	$67,350	$109,823	0	1	1
Programs Manager	1 15	$55,210	$90,270	1	-1	0
Total				5	0	5

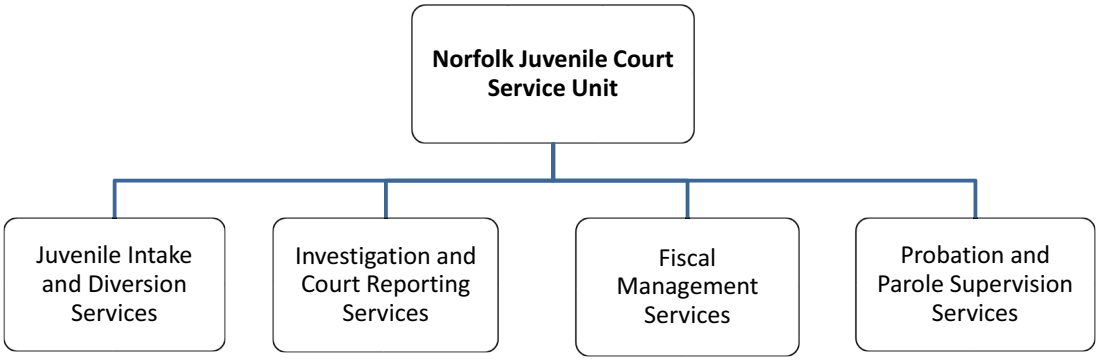
NORFOLK JUVENILE COURT SERVICE UNIT

MISSION STATEMENT

The mission of the Department of Juvenile Justice (DJJ) is to protect the public by preparing court involved youth to be successful residents. Norfolk Juvenile Court Service Unit's mission which expands upon the DJJ mission, is to protect the public through a balanced approach of accountability and comprehensive services that prevent and reduce delinquency through partnerships with families, schools, communities, law enforcement, and others while providing opportunities for delinquent youth to become responsible and productive residents.

DEPARTMENT OVERVIEW

The Norfolk Juvenile Court Service Unit is the local community programs entity within the Virginia DJJ. The community programs section of the Division of Operations is responsible for providing a continuum of community-based services to juvenile offenders and their families. The department is also responsible for developing and implementing a continuum of services that respond to the unique needs of our juvenile justice community. The Norfolk Juvenile Court Service Unit provides juvenile intake, diversion, investigations and court reports, and probation and parole supervision. While providing an array of services, community-based collaborations and referral linkages are recognized through partnerships with state and local agencies, as well as private sector service providers.



Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Provide a safe environment for residents, workers, and visitors					
Objective					
Provide programs and services for youth offenders to enable them to become responsible and productive residents					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Reconviction rate (not tracked in this context for FY 2014)	0	35	29	29	0

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Create a culture that promotes health, engages in prevention, and supports the economic and social well being of individuals and families through the provision of an array of programs and services					
Objective					
Divert from Department of Juvenile Justice those youth who are more appropriately served by other partners					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of all intakes diverted from court	22	4	20	20	0

Priority: Well-Managed Government					
Goal					
Develop, recruit and retain talented and engaged employees to meet current and future workplace needs					
Objective					
Provide adequate and appropriate training to equip staff to deal with the demands of working with a challenging population					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of probation and parole staff trained in evidence based programming	65	100	90	90	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Materials, Supplies and Repairs	$7,879	$8,210	$8,355	$8,355
Contractual Services	$183,054	$140,681	$155,072	$157,496
Equipment	$804	$320	$373	$373
Total	$191,737	$149,210	$163,800	$166,224

PROPOSED FY 2017 BUDGET ACTIONS

- **Adjust funds for lease payments** **FY 2017 $2,424 FTE: 0**

  Technical adjustment to provide funds for lease payments due to a contractual rent increase. The existing contracts for office space at Little Creek and JANAF locations call for a two and three percent escalation each year, respectively. In FY 2017, the combined rent will increase from $113,150 to $115,574.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $0 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Norfolk Juvenile Court Service Unit **Total: $2,424 FTE: 0**

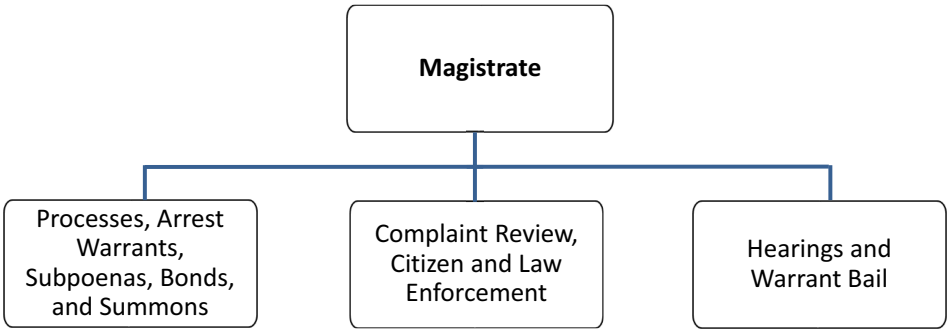
MAGISTRATE

MISSION STATEMENT

The Office of the Magistrate for the City of Norfolk is dedicated to providing accessible, independent, and unbiased Judicial services to the residents of Norfolk.

DEPARTMENT OVERVIEW

The Office of the Magistrate is open 24 hours a day, seven days a week. To remain accessible while providing the residents of Norfolk with quality and cost-efficient services, the Magistrate's Office currently maintains two locations. The primary office of the Magistrate is located in the Public Safety Building, with a secondary site located at the Norfolk Police Department's Operation Center on Virginia Beach Boulevard. The Magistrate's Office also maintains a video-conferencing system at the Norfolk Police Department's Second Precinct on North Military Highway, providing a convenient hearing location for residents and law-enforcement officers. Magistrates conduct judicial hearings, determining if probable cause exists for the issuance of felony and misdemeanor criminal warrants, search warrants, and mental health orders. Magistrates are also responsible for conducting bail determination hearings to determine what, if any, bond and conditions should be granted to an individual charged with a crime. Regardless of the situation, magistrates are always accessible to hear the complaints and concerns of the residents of Norfolk.



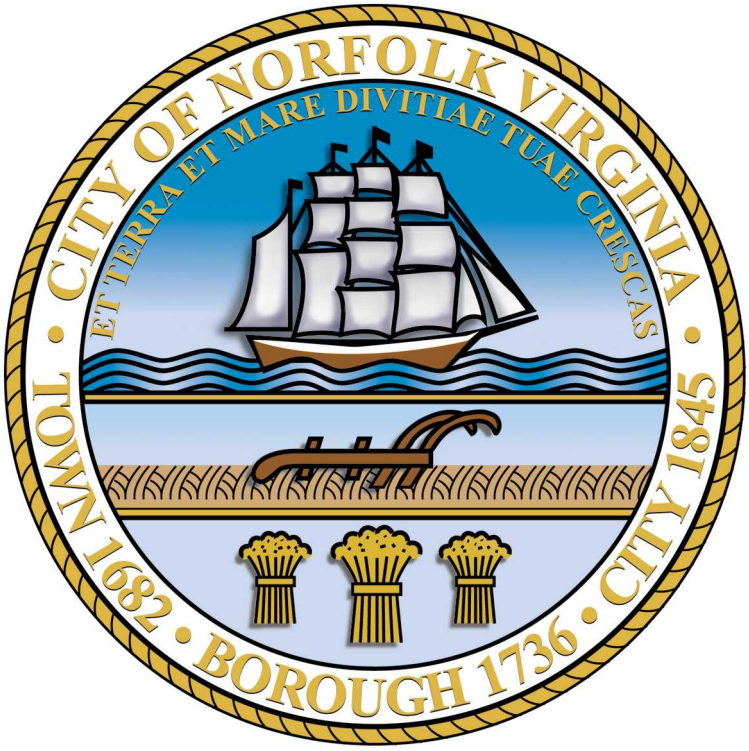
EXPENDITURE SUMMARY

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$4,926	$9,915	$7,932	$7,932
Materials, Supplies and Repairs	$873	$1,832	$2,224	$2,224
Contractual Services	$1,773	$1,387	$1,282	$1,282
Total	$7,572	$13,134	$11,438	$11,438

* The City of Norfolk provides a personnel supplement for the Office of the Magistrate. As employees retire or leave, per Code of Virginia, the city is no longer required to provide this support.

*No proposed budget actions for FY 2017.

Elections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Elections

Mission Statement

The Office of Elections is responsible for protecting the integrity of the electoral process in the City of Norfolk through the maintenance of accurate voter records and the efficient administration of elections in accordance with state and federal election laws. The office is committed to being an information resource for the city and residents of Norfolk regarding elected officials, voter registration, and election services.

Department Overview

The Office of Elections provides voter registration services, maintains the records of over 115,000 registered voters, coordinates voter registration activities and voter education programs, supervises over 900 Officers of Election, oversees candidate filing procedures, and audits campaign finance reports. Additionally, the office administers general, primary, special elections, and recounts on behalf of the Norfolk Electoral Board.

Actions to Achieve Long-Term Goals and Short-Term Objectives

Elections primarily supports the Priority Area of Well-Managed Government through the following actions:

Ongoing Actions	Status
Promote online voter registration	Ongoing
Communicate election information, changes to polling locations, and voter identification requirements on webpage	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Maintain accurate voter registration records					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of transactions initiated by voter request processed (Increase in FY 2016 due to presidential election)	38,512	41,093	60,000	100,000	40,000
Number of elections administered in accordance with state and federal laws	4	3	4	2	-2

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$492,833	$492,862	$561,998	$555,799
Materials, Supplies and Repairs	$68,967	$23,046	$77,188	$96,305
Contractual Services	$246,170	$174,175	$338,945	$243,882
Total	$807,970	$690,083	$978,131	$895,986

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $3,970 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Improve operational efficiencies FY 2017 ($8,863) FTE: 0**

  Reduce contractual services expenditures associated with the administration of elections. This action will align the budget to anticipated expenditures. No impact to service delivery is anticipated.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Remove one-time funding provided for additional elections FY 2017 ($90,282) FTE: 0**

  Remove one-time funding provided in FY 2016 for the general election of Virginia Senate and House of Delegates representatives, 2016 Presidential Primary, U.S. House of Representatives Primary election, and the city's general elections for the Mayor, City Council, and School Board Members.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Annualize Phase II of ARMD compensation strategy FY 2017 $2,688 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Adjust required contribution to the city's retirement system** **FY 2017 $8,498** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Update personnel expenditures** **FY 2017 $1,844** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Elections **Total: ($82,145)** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Deputy Registrar / Elections Administrator	1 11	$40,005	$65,280	1	0	1
Director of Elections	1 22	$83,400	$140,250	1	0	1
Election Assistant I	1 02	$19,705	$32,135	1	0	1
Election Assistant II	1 06	$26,900	$43,860	1	0	1
Election Assistant III	1 07	$28,815	$47,022	1	0	1
Senior Election Assistant	1 07	$33,770	$55,060	1	0	1
Total				6	0	6

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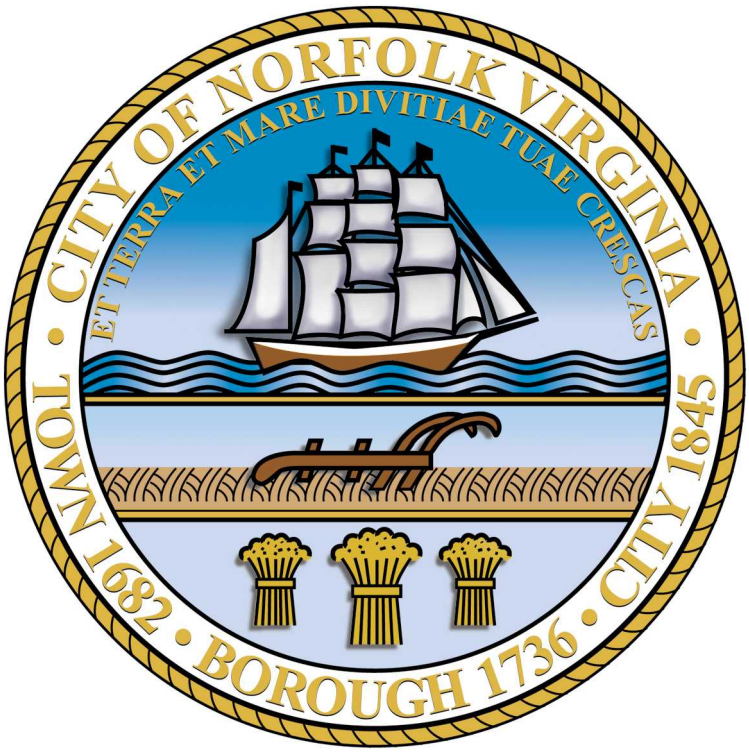
General Management



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Communications and Technology

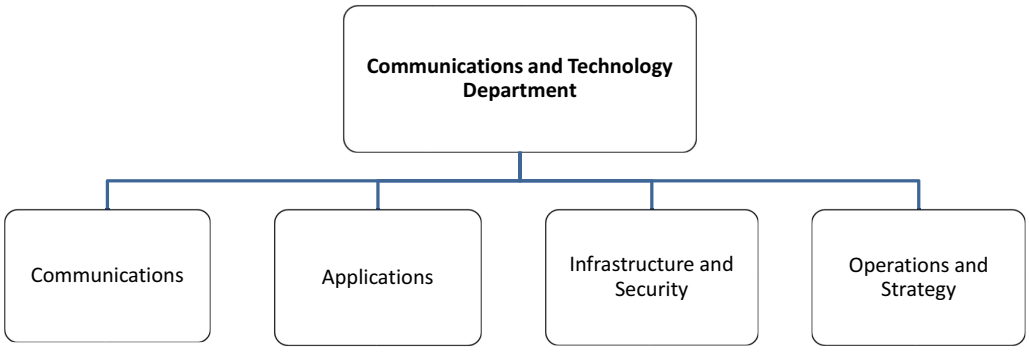
Mission Statement

The Department of Communications and Technology provides the support framework for customer-focused services that leads to a well-managed government and engaged community.

Department Overview

The Department of Communications and Technology creates, supports, and maintains business systems and the technical infrastructure necessary to enable customers, city departments, agencies, residents, and businesses to achieve their business goals and objectives. The department partners with its customers to support innovation while providing guidance and support for a shared technical infrastructure (including cloud computing techniques) for telecommunications, radios, and networks. The department uses project management, shared services, an enterprise framework of technology tools and standards, and commercially available technologies to deliver secure, reliable information, and measurable data to customers. The Department of Communications and Technology is organized into four operating bureaus:

- The Bureau of Infrastructure and Security provides desktop, network, telecommunications, storage and security infrastructure.
- The Applications Bureau provides development, integration, and support of both business applications for city departments and avenues of public access to information and data.
- The Bureau of Operations and Strategy manages assets (computers, phones, etc.) and licenses, business continuity services, communications and technology planning, mobile devices, and radios.
- The Bureau of Communications promotes and protects the city's brand; increases awareness, satisfaction and transparency of the city's assets, services and initiatives; and works to increase broader stakeholder engagement.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Department of Communications and Technology supports the Priority Areas of Well-Managed Government; Safe, Healthy and Inclusive Communities; Lifelong Learning; and Accessibility, Mobility and Connectivity. Actions in place to achieve the long terms goals of increasing access to city services and information, enhancing efficiency of our programs and services, and enhancing the vitality and marketability of Norfolk's neighborhoods include:

Ongoing Actions	Status
Develop and implement technology initiatives that improve access for external clients (businesses, visitors and residents) to both the Internet and data collected and/or generated by the city	Ongoing
Refresh and develop technological infrastructure, by June 30, 2017, and deliver enterprise business applications and support solutions to internal clients (departments and city leaders) to facilitate a well-managed government	Ongoing
Implement a marketing and communications process to develop initiatives that enforce brand message architecture and assist stakeholders (internal and external) with aligning their actions to the brand	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Increase access to city services, products, and information for both internal departments and external entities/ residents					
Objective					
Optimize use of ComTech products and services to enhance the capacity of city staff					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of city staff indicating they are either satisfied or very satisfied with ComTech products and services (New measure in FY 2017)	0	0	0	80	80

Priority: Accessibility, Mobility and Connectivity					
Goal					
Increase access to city services, products, and information for both internal departments and external entities/ residents					
Objective					
Connect residents and business to training, programs services, and resources to meet individual and community growth and sustainability					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of Norfolk residents with broadband access (New measure in FY 2017)	0	0	0	60	60
Number of unique users of open data applications (New measure in FY 2017)	0	0	0	90,000	90,000
Number of internal departments that engage the Marketing and Communications Team of ComTech for assistance with their marketing and communications needs (New measure for FY 2017)	0	0	0	11	11
Number of external clients that engage the Marketing and Communications Team of ComTech for assistance with their marketing and communications needs (New measure for FY 2017)	0	0	0	4	4

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$9,858,449	$9,049,708	$9,809,566	$9,391,646
Materials, Supplies and Repairs	($1,447,534)	($1,251,304)	($1,205,172)	$407,935
Contractual Services	$3,511,228	$3,955,617	$4,853,883	$3,828,480
Equipment	$115,494	$88,575	$107,075	$32,075
Department Specific Appropriation	$32,485	$0	$0	$0
Total	$12,070,122	$11,842,596	$13,565,352	$13,660,136

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $71,409 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general can constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Support existing Cisco PBX Systems** **FY 2017 $51,860** **FTE: 0**

  Technical adjustment to support the contractual maintenance and support agreement for Voice Over Internet Protocol (VOIP) telephone system for the new Slover Library and Circuit Court Complex.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Support telephone system maintenance at new facilities** **FY 2017 $30,000** **FTE: 0**

  Technical adjustment to provide contractual maintenance and support costs for the telephone systems at Slover Library, and Norfolk Circuit Court Complex telephone system.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Support maintenance for case management system** **FY 2017 $49,530** **FTE: 0**

  Technical adjustment to provide funds for annual maintenance cost for Commonwealths Attorney's case management system. Maintenance costs include hardware and software service fees.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Support time and attendance monitoring software costs** **FY 2017 $417,753** **FTE: 0**

  Provide funds to support the implementation of Time and Labor and Absence Management enhancements to the PeopleSoft information system. One-time funds provided in FY 2017 will complete the implementation of the enhancements, and purchase and install biometric time-clocks.

  Priority Area(s) Met: Well-Managed Government

- **Transfer financial management software costs** **FY 2017 $1,200,000** **FTE: 0**

  Transfer contractual financial management software costs from the Debt Service budget to the Department of Communications and Technology. This transfer promotes efforts to place all contractual costs within departments to better reflect where expenditures occur.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Increase hardware, software, data, and voice maintenance** **FY 2017 $124,960** **FTE: 0**

  Technical adjustment to provide funds for annual increase in maintenance costs of hardware, software, and security services, including contractual upgrades and technical support.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Reduce infrastructure network support expenses** **FY 2017 ($100,000)** **FTE: 0**

  Technical adjustment to decrease annual expenses for the city's infrastructure network equipment. The city's network infrastructure was previously vendor supported and maintained. Going forward, the city will maintain its infrastructure network equipment thereby reducing the cost of maintenance and support.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Transfer Impact Call Center to Neighborhood Development** **FY 2017 ($605,535)** **FTE: -14**

  Technical adjustment to transfer Impact Call Center from the Department of Communications and Technology to the Department of Neighborhood Development. This transfer is part of a citywide reorganization that occurred during FY 2016 to provide enhanced services to Norfolk neighborhoods. A corresponding adjustment can be found in the Department of Neighborhood Development.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Remove one-time funding provided for Laserfiche Upgrade** **FY 2017 ($85,000)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2016 to upgrade the Laserfiche Records Management Software.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Remove one-time funds for high speed connectivity** **FY 2017 ($500,000)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2016 for high speed connectivity to the internet.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Remove one-time funding for replacement of systems** **FY 2017 ($75,000)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2016 for the replacement of technology systems no longer supported by manufacturers.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Remove one-time funding for PeopleSoft absence management** **FY 2017 ($502,166)** **FTE: 0**

  Technical adjustment to remove one-time funds, originally provided in FY 2015, to support the two year design and programming phase of the PeopleSoft Absence Management and Time and Labor enhancements.

  Priority Area(s) Met: Well-Managed Government

- **Remove one-time funds for consultant services** **FY 2017 ($32,700)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2016 for consultant for Slover Library and consolidated courthouse Phase II projects. In FY 2016, phase II was completed, and no additional funding is required.

  Priority Area(s) Met: Well-Managed Government

- **Reduce expenditures for Gartner Membership** **FY 2017 ($30,000)** **FTE: 0**

  Reduce expenditures for Gartner Membership expenses. Gartner is utilized to obtain subject matter expert (SME) documents, quadrant evaluations, and industry projections of technology. The department will utilize more cost effective resources.

  Priority Area(s) Met: Well-Managed Government

- **Reduce use of temporary labor** **FY 2017 ($42,151)** **FTE: 0**

  Reduce personnel expenditures for part-time Information Technology Assistant position. Duties will be absorbed by existing staff. No impact to service delivery is anticipated.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Eliminate Administrative Assistant I position** **FY 2017 ($58,200)** **FTE: -1**

  Eliminate Administrative Assistant I position. This action better utilizes city resources by merging the duties of the Administrative Assistant I with the Information Technology Specialist position to create efficiencies within the department.

  Priority Area(s) Met: Well-Managed Government

- **Adjust costs for fleet expenditures** **FY 2017 $2,021** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $81,710** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $39,418** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Update personnel expenditures** **FY 2017 $56,875** **FTE: -2**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment; the addition of two Managers of Public Relations and a Chief Marketing Officer; and the deletion of two Technology Managers, an Applications Development Team Supervisor, and two Software Analysts. These are routine actions which occur at the beginning of the budget cycle.

Communications and Technology **Total: $94,784** **FTE: -17**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant I	1 09	$33,770	$55,060	1	-1	0
Applications Analyst	1 14	$51,000	$84,354	1	0	1
Applications Development Team Supervisor	1 17	$63,000	$102,816	7	-1	6
Assistant Director	1 21	$79,375	$132,090	2	0	2
Bureau Manager	1 18	$67,350	$109,823	1	0	1
Business Manager	1 13	$46,885	$76,449	1	0	1
Chief Information Officer	1 25	$100,205	$169,320	1	0	1
Chief Marketing Officer	1 24	$92,800	$159,120	0	1	1
Citizen Service Advisor I	1 05	$24,685	$40,290	8	-8	0
Citizen Service Advisor II	1 07	$28,815	$47,022	2	-2	0
Citizen Service Advisor III	1 09	$33,770	$55,060	2	-2	0
Customer Service Manager	1 18	$67,350	$109,823	1	-1	0
Database Administrator	1 16	$58,970	$96,145	3	0	3
Geographic Information Systems Specialist II	1 12	$43,470	$70,890	1	0	1
Geographic Information Systems Team Supervisor	1 16	$58,970	$96,145	1	0	1
Information Technology Specialist	1 09	$33,770	$55,060	3	0	3
Information Technology Telecommunications Analyst II	1 13	$46,885	$76,449	1	0	1
Information Technology Telecommunications Analyst III	1 16	$58,970	$96,145	1	0	1
Information Technology Training Coordinator	1 13	$46,885	$76,449	1	0	1
Management Analyst I	1 11	$40,005	$65,280	1	0	1
Manager of Broadcast Services	1 16	$58,970	$96,145	1	0	1
Manager of Public Relations	1 17	$63,000	$102,816	0	2	2
Manager of Publications & Direct Communications	1 16	$58,970	$96,145	1	0	1
Media Production Specialist	1 12	$43,470	$70,890	2	0	2
Microcomputer Systems Analyst	1 13	$46,885	$76,449	1	0	1
Network Engineer I	1 10	$36,605	$59,690	1	0	1
Network Engineer II	1 14	$51,000	$84,354	2	1	3
Network Engineer III	1 16	$58,970	$96,145	5	-1	4
Network Engineer IV	1 18	$67,350	$109,823	3	0	3
Network Security Engineer	1 17	$63,000	$102,816	2	0	2
Program Supervisor	1 13	$46,885	$76,449	3	-1	2
Programmer/Analyst III	1 13	$46,885	$76,449	9	0	9
Programmer/Analyst IV	1 14	$51,000	$84,354	15	0	15
Programmer/Analyst V	1 16	$58,970	$96,145	11	0	11
Project Manager	1 14	$51,000	$84,354	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Public Information Specialist I	1 10	$36,605	$59,690	1	0	1
Public Information Specialist II	1 11	$40,005	$65,280	1	0	1
Radio Communications Systems Supervisor	1 14	$51,000	$84,354	1	0	1
Radio Communications Systems Technician	1 08	$31,180	$50,847	1	0	1
Senior Microcomputer Systems Analyst	1 14	$51,000	$84,354	5	0	5
Senior Radio Communications Systems Analyst	1 12	$43,470	$70,890	4	0	4
Services & Support Supervisor	1 16	$58,970	$96,145	2	0	2
Software Analyst	1 13	$46,885	$76,449	5	-2	3
Technology Manager	1 20	$76,000	$123,930	5	-2	3
Webmaster	1 13	$46,885	$76,449	2	0	2
Total				123	-17	106

FINANCE

MISSION STATEMENT

The Department of Finance ensures a strong financial foundation and fiscal integrity by exercising due diligence and control over the city's assets and resources and providing timely and accurate reporting that enables sound decision-making and execution of city initiatives through responsible stewardship of public assets.

DEPARTMENT OVERVIEW

The Department of Finance is a multi-faceted department comprised of the following bureaus:

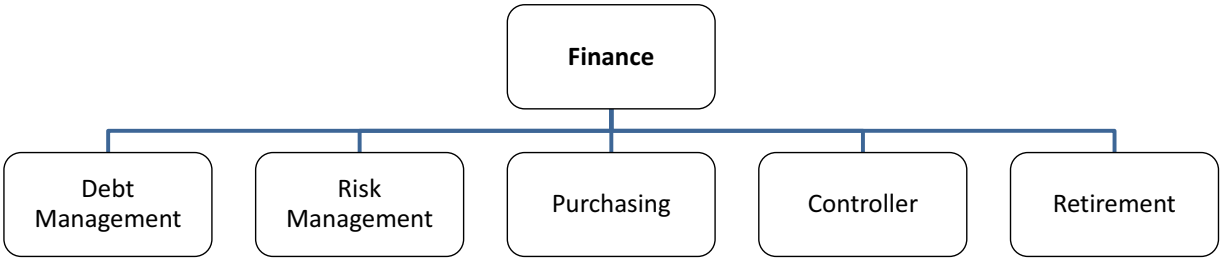
Director's Office: Provides management direction and administrative oversight for the department, participates in the planning of major economic and financing initiatives, and has oversight of a complex range of debt financing and risk management functions.

Controller: Provides accounting and financial reporting services for the city including the preparation of the Comprehensive Annual Financial Report (CAFR), Comparative Cost Report and the Indirect Cost Allocation Plan, processes payroll for the city, administers accounts payable and miscellaneous accounts receivable functions for the city, and manages the cash and investments of the city.

Retirement: Provides administration and management of Norfolk Employees' Retirement System (NERS), administrative services to the system's Board of Trustees, and customer service to the city's retirees.

Purchasing: Provides purchasing and material management functions to support the city's needs.

Debt Management: Oversees the city's debt portfolio to ensure accountability, control, and judicious application of public resources. The bureau includes the issuance of General Obligation and Revenue bonds as needed to fund the cash flow needs of the city's capital projects.



ACTIONS TO ACHIEVE LONG-TERM GOALS AND SHORT-TERM OBJECTIVES

The Department of Finance primarily supports the Priority Area of Well-Managed Government. Actions in place to achieve the long term goals of achieving a reputation both internally and externally as a well-managed government and enhancing the efficiency of programs and services include:

Ongoing Actions	Status
Prepare financial reports that are accessible, accurate, and timely to support the decision-making processes, compliance with regulatory requirements, and customer and stakeholder informational interests	Ongoing
Streamline the procurement process to improve efficiency	Ongoing
Implement and execute cost-effective financings for capital needs on a timely basis, including the evaluation of financing strategies to positively effectuate the capital financing plan	Ongoing
Maximize revenue for which Finance provides collection services (e.g. ambulance billing)	Ongoing
Reduce costs, improve services and increase efficiency, increase focus on converting vendors that receive the most checks from the city to electronic payments	Ongoing
Reduce costs and increase efficiency of retirement and payroll	Ongoing
Increase communication and interactive outreach and education	Ongoing
Create a well-managed government by identifying, developing, and implementing training programs and policies to promote effective controls	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Promote strong financial management					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Maintain an unqualified audit opinion for the city's Comprehensive Annual Financial Report (CAFR)	Yes	Yes	Yes	Yes	N/A
Achieve Certification of Financial Reporting Excellence by Governmental Finance Officer's Association (GFOA)	Yes	Yes	Yes	Yes	N/A
Maintain bond rating of Aa2/AA/AA+	Yes	Yes	Yes	Yes	N/A

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of programs and services					
Objective					
Integrate and streamline technology and business practices to improve service delivery					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of payments which are processed electronically	0	2	55	60	5

EXPENDITURE SUMMARY

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$2,667,982	$2,894,286	$3,097,761	$3,607,105
Materials, Supplies and Repairs	$60,415	$77,244	$69,659	$68,159
Contractual Services	$825,099	$837,790	$751,310	$771,670
Equipment	$3,709	$11,157	$1,600	$1,600
Total	$3,557,205	$3,820,478	$3,920,330	$4,448,534

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $28,821 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Well-Managed Government

- **Enhance Bureau of Retirement operations FY 2017 $73,476 FTE: 1**

  Add an Accountant IV to the Bureau of Retirement. The addition of the Accountant IV will enhance the administration and management of the Norfolk Employees' Retirement System.

  Priority Area(s) Met: Well-Managed Government

- **Enhance Bureau of Purchasing operations FY 2017 $116,076 FTE: 1**

  Add Special Assistant position to the Bureau of Purchasing. The Special Assistant will provide oversight and enhance the administration and management of purchasing operations.

  Priority Area(s) Met: Well-Managed Government

- **Reduce personnel expenditures FY 2017 ($34,066) FTE: 0**

  Recognize personnel savings from staff turnover. This action aligns the department's budget with anticipated expenditures. No impact to service delivery is anticipated.

  Priority Area(s) Met: Well-Managed Government

- **Reduce discretionary expenditures FY 2017 ($1,140) FTE: 0**

  Reduce expenditures associated with mailings due to increased automation. This action improves the efficiency and effectiveness of service delivery.

  Priority Area(s) Met: Well-Managed Government

- **Implement retirement readiness program** **FY 2017 $20,000** **FTE: 0**

  Provide funds for a retirement readiness program offered through the International City/County Management Association (ICMA). Employees can have an appraisal of the retirement benefits, determine whether the plan is on track to achieve set objectives, and re-align investment opportunities to meet retirement goals.

Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $28,485** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $69,938** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 $226,614** **FTE: 3**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment; the addition of an Accountant IV, an Administrative Assistant II, a Buyer I, a Financial Operations Manager, a Fiscal Systems Manager, a Management Analyst III, a Payroll Specialist, and a Procurement Specialist during FY 2016. The update also includes the deletion of an Accountant I, an Accountant III, an Administrative Assistant I, a Buyer II, and a Fiscal Systems Analyst during FY 2016. These are routine actions which occur at the beginning of the budget cycle.

Finance **Total: $528,204** **FTE: 5**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	5	-1	4
Accountant II	1 12	$43,470	$70,890	1	0	1
Accountant III	1 13	$46,885	$76,449	2	-1	1
Accountant IV	1 14	$51,000	$84,354	1	2	3
Accountant V	1 16	$58,970	$96,145	1	0	1
Accounting Manager, Senior	1 18	$67,350	$109,823	2	0	2
Accounting Technician II	1 07	$28,815	$47,022	1.8	0	1.8
Administrative Assistant I	1 09	$33,770	$55,060	1	-1	0
Administrative Assistant II	1 10	$36,605	$59,690	3	1	4
Assistant Director	1 21	$79,375	$132,090	1	0	1
Bureau Manager	1 18	$67,350	$109,823	1	0	1
Buyer I	1 10	$36,605	$59,690	1	1	2
Buyer II	1 13	$46,885	$76,449	2	0	2
Cash & Investments Analyst	1 13	$46,885	$76,449	1	0	1
Collection Coordinator	1 11	$40,005	$65,280	2	0	2
Debt Management Specialist	1 14	$51,000	$84,354	1	0	1
Debt Manager	1 16	$58,970	$96,145	1	0	1
Director of Finance	1 24	$92,800	$159,120	1	0	1
Financial Operations Manager	1 15	$55,210	$90,270	1	1	2
Fiscal Systems Analyst	1 14	$51,000	$84,354	2	-1	1
Fiscal Systems Manager	1 16	$58,970	$96,145	0	1	1
Management Analyst I	1 11	$40,005	$65,280	1	0	1
Management Analyst II	1 13	$46,885	$76,449	2	-1	1
Management Analyst III	1 14	$51,000	$84,354	1	1	2
Payroll Manager	1 14	$51,000	$84,354	1	0	1
Payroll Specialist	1 11	$40,005	$65,280	1	1	2
Procurement Specialist	1 15	$55,210	$90,270	2	1	3
Programs Manager	1 15	$55,210	$90,270	1	0	1
Purchasing Agent	1 19	$71,500	$116,280	1	0	1
Risk Manager	1 15	$55,210	$90,270	1	0	1
Special Assistant	1 20	$76,000	$123,930	0	1	1
Support Technician	1 05	$24,685	$40,290	1	0	1
Total				43.8	5	48.8

General Services

Mission Statement

The Department of General Services (DGS) is a customer service driven department that provides a variety of support services through facilities maintenance, real estate, animal care, fleet management, and parking to both internal city departments and external stakeholders.

Department Overview

The Department of General Services (DGS) refines delivery processes, resource utilization, and organizational structure to meet the city's goal of becoming a Well-Managed Government.

General Services is comprised of five divisions, three of which (Facilities Maintenance, Fleet Management, and the Office of Real Estate), provide internal services to all city departments, and two of which (Parking and Norfolk Animal Care and Adoption Center), provide services and assistance to residents and businesses. Internal support provided by DGS allows city departments to effectively carry out their missions and provide services throughout the City of Norfolk. Fleet Management also provides fleet fueling services to outside agencies such as Norfolk Public Schools (NPS), Norfolk Botanical Garden, Norfolk Redevelopment and Housing Authority (NRHA), and other city-related agencies.

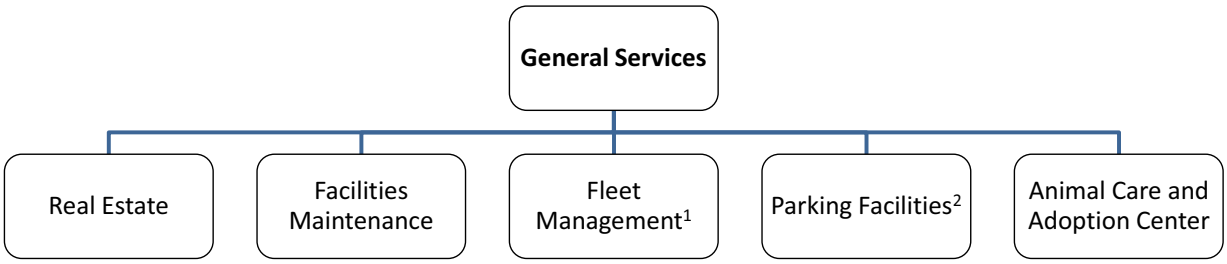
Facilities Maintenance (FM): Provides safe, clean, functional facilities for Norfolk employees, visitors, and residents by combining craftsmanship, responsiveness, financial responsibility, and innovative ideas for the future.

Real Estate: Performs various real estate services associated with attaining the best and highest use of city real property and generating lease and sales revenue from city-owned real property.

Norfolk Animal Care and Adoption Center: Provides care for stray, unwanted, sick, injured, and abandoned animals in the city. The Center adopts animals into permanent homes, reduces the pet population through spay and neuter programs, and transfers animals to responsible fostering and rescue groups.

Fleet Management: Provides quality maintenance and fueling services to all customers, whether internal or external; ensures safe, operable vehicles and equipment in support of city programs; and ensures that city resources are used in the most efficient manner possible. The activities of Fleet Management are presented in the Internal Service Fund pages.

Parking: Provides safe, convenient and affordable parking services to the residents, visitors, employees, and businesses in Norfolk. The activities of Parking are presented in the Enterprise Fund pages.



[1]Shown also in the Internal Service Fund section
[2]Shown also in the Enterprise Fund section

Actions to Achieve Long-Term Goals and Short-Term Objectives

Facilities Maintenance and the Animal Care and Adoption Center primarily support the Priority Area of Well-Managed Government. Departmental long-term goals are achieved by the efficient use of municipal resources and the enhancement of programs and services. Specific division activities include:

Ongoing Actions	Status
Continue to evaluate and refine the Animal Care Center volunteer program for recruitment, training, and retention through job skills development, annual meeting to celebrate accomplishments and discussion of goals and challenges	Ongoing
Complete emergency facility work orders within no more than two business days	Ongoing
Strengthen the feedback loop between city staff and the custodial services contractor to enhance custodial services	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Enhance the efficiency and effectiveness of programs					
Objective					
Ensure the safety, cleanliness, and attractiveness of two million square feet of buildings and extensive parks and school infrastructure through cost effective and efficient maintenance services					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of customers who rate custodial service as meeting or exceeding expectations	95	98	95	95	0
Percent of total Facilities Maintenance budget used for energy efficient upgrades (New measure in FY 2017)	0	0	0	10	10
Percent of emergency facility work orders completed within two days (New measure in FY 2017)	0	0	0	90	90
Objective					
Increase the efficiency and effectiveness of the Animal Care Center					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of volunteer hours donated to the Animal Care Center (New measure in FY 2017)	0	0	0	14,000	14,000
Number of animals adopted from the Animal Care Center-fiscal year (New measure in FY 2017)	0	0	0	2,100	2,100
Objective					
Increase the efficiency and effectiveness with which real estate services are provided by the city					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Total lease revenue realized during fiscal year (New measure in FY 2017)	0	0	0	2,009,341.3	2,009,341.3

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$6,077,993	$7,070,533	$7,556,004	$7,727,184
Materials, Supplies and Repairs	$7,368,372	$7,991,852	$9,173,520	$9,149,480
Contractual Services	$5,990,637	$7,028,665	$7,199,523	$7,480,761
Equipment	$18,191	$48,681	$42,134	$42,134
Total	$19,455,193	$22,139,730	$23,971,181	$24,399,559

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $52,786 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Increase food and medical costs at the Animal Care Center FY 2017 $9,287 FTE: 0**

  Technical adjustment to provide additional funding for food and medical costs at the Norfolk Animal Care Center.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Increase funds for contractual labor FY 2017 $235,679 FTE: 0**

  Technical adjustment to support the contractual increase for custodial services and supplies at city facilities.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support additional funds for elevator maintenance FY 2017 $3,837 FTE: 0**

  Technical adjustment to support the contractual increase for elevator maintenance.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support increase in chiller contract FY 2017 $6,638 FTE: 0**

  Technical adjustment to provide funds for the contractual three percent Consumer Price Index increase for chiller maintenance costs.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support increase in security services contract FY 2017 $15,010 FTE: 0**

  Technical adjustment to support increase in contractual expenses for security services at city buildings.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support utilities and maintenance costs of new facilities FY 2017 $261,941 FTE: 0**

  Technical adjustment to provide partial year funding for utilities, maintenance, and custodial costs for Phase II of the Consolidated Courthouse and a new boxing center at Harbor Park.

  Priority Area(s) Met: Environmental Sustainability and Safe, Healthy, and Inclusive Communities

- **Adjust rent cost for the Animal Care Center** **FY 2017 $5,323** **FTE: 0**

  Technical adjustment to increase funds for lease payments due to a contractual rent increase. The existing contract for space at the Animal Care Center calls for a three percent escalation each year. The rent will increase from $177,449 to $182,772 in FY 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Centralize elevator maintenance operations** **FY 2017 $26,714** **FTE: 0**

  Implement an efficiency initiative to centralize elevator maintenance services. This action moves elevator maintenance responsibilities to the Department of General Services. A corresponding adjustment can be found in the Department of Cultural Facilities, Arts and Entertainment.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Convert manual light switches to motion detector sensors** **FY 2017 $5,000** **FTE: 0**

  Reengineer electricity usage at Neighborhood Service Centers by converting manual light switches to motion detector sensors. Motion detector sensors are designed to save energy by turning off the lights when no activity is detected.

  Priority Area(s) Met: Environmental Sustainability

- **Enhance operations at the Norfolk Animal Care Center** **FY 2017 $54,215** **FTE: 2**

  Enhance operations at the Norfolk Animal Care and Adoption Center through the addition of two full-time Animal Caretaker positions. This action will support the center's adoption program and enhance the quality of life of the animals housed at the center.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Expand privatization of custodial services** **FY 2017 $3,300** **FTE: 0**

  Transfer funds for custodial services from the Department of Cultural Facilities, Arts and Entertainment to the Department of General Services. This actions continues the privatization of custodial services under the direction of General Services. A corresponding adjustment can be found in the Department of Cultural Facilities, Arts and Entertainment.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Provide funds for CoStar License** **FY 2017 $13,580** **FTE: 0**

  Technical adjustment to renew CoStar software license to be utilized by Economic Development, the City Assessor's Office, and the Bureau of Real Estate. CoStar is a commercial real estate information database that aids in inventory and analysis of real estate.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Reduce discretionary expenditures** **FY 2017 ($1,443)** **FTE: 0**

  Reduce department's discretionary spending for training. No impact to service levels are anticipated as a result of this action.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Reduce funds for natural gas expenditures** **FY 2017 ($209,547)** **FTE: 0**

  Reduce funds for natural gas expenditures based on anticipated utilization. This reduction aligns the budget with actual natural gas expenditures. No impact to service levels are anticipated as a result of this action.

  Priority Area(s) Met: Environmental Sustainability

- **Adjust office equipment repair costs at Animal Care Center** **FY 2017 ($3,500)** **FTE: 0**

  Reduce office repair costs at the Norfolk Animal Care Center. Most office equipment repair work required at the Animal Care Center is covered by the city's contract with Ricoh. No change in service levels are anticipated as a result of this action.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Remove one-time funds for holiday lighting** **FY 2017 ($90,000)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2016 for holiday lighting of city facilities.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 ($26,036)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $58,676** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $17,856** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Update personnel expenditures** **FY 2017 ($10,938)** **FTE: 0.3**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and an increase in part-time hours for two positions. These are routine actions which occur at the beginning of the budget cycle.

General Services **Total: $428,378** **FTE: 2.3**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	1	0	1
Administrative Manager	1 15	$55,210	$90,270	1	0	1
Animal Caretaker	1 02	$19,705	$32,135	8.3	2.2	10.4
Assistant Animal Services Supervisor	1 11	$40,005	$65,280	1	0	1
Assistant Director	1 21	$79,375	$132,090	1	0	1
Assistant Facilities Maintenance Manager	1 17	$63,000	$102,816	2	0	2
Bureau Manager	1 18	$67,350	$109,823	2	0	2
Business Manager	1 13	$46,885	$76,449	1	0	1
Capacity Analyst	1 13	$46,885	$76,449	1	0	1
Carpenter I	1 08	$31,180	$50,847	7	0	7
Carpenter II	1 09	$33,770	$55,060	3	0	3
Chief Operating Engineer-HVAC	1 16	$58,970	$96,145	2	0	2
Civil Engineer III	1 15	$55,210	$90,270	1	-1	0
Contract Administrator	1 14	$51,000	$84,354	2	0	2
Customer Service Representative	1 05	$24,685	$40,290	2.5	0.1	2.6
Director of General Services	1 24	$92,800	$159,120	1	0	1
Electrician I	1 06	$26,900	$43,860	1	0	1
Electrician II	1 09	$33,770	$55,060	6	0	6
Electrician III	1 10	$36,605	$59,690	2	0	2
Facilities Maintenance Manager	1 19	$71,500	$116,280	1	0	1
Facilities Manager	1 13	$46,885	$76,449	1	0	1
Kennel Supervisor	1 08	$31,180	$50,847	2	0	2
Maintenance Mechanic I	1 06	$26,900	$43,860	8	0	8
Maintenance Mechanic II	1 07	$28,815	$47,022	16	0	16
Maintenance Mechanic III	1 09	$33,770	$55,060	2	0	2
Maintenance Shop Manager	1 13	$46,885	$76,449	2	0	2
Maintenance Supervisor I	1 11	$40,005	$65,280	2	0	2
Maintenance Supervisor II	1 12	$43,470	$70,890	4	-1	3
Maintenance Worker I	1 03	$21,222	$34,609	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Management Analyst III	1 14	$51,000	$84,354	1	0	1
Office Manager	1 09	$33,770	$55,060	1	0	1
Operating Engineer I	1 06	$26,900	$43,860	2	0	2
Operating Engineer II	1 09	$33,770	$55,060	18	0	18
Painter I	1 06	$26,900	$43,860	3	0	3
Painter II	1 08	$31,180	$50,847	1	0	1
Plumber	1 09	$33,770	$55,060	5	0	5
Plumber, Senior	1 10	$36,605	$59,690	1	0	1
Project Manager	1 14	$51,000	$84,354	1	0	1
Real Estate Analyst	1 11	$40,005	$65,280	0	1	1
Real Estate Coordinator	1 12	$43,470	$70,890	1	0	1
Senior Projects Manager	1 16	$58,970	$96,145	0	1	1
Storekeeper I	1 04	$22,875	$37,301	1	0	1
Storekeeper III	1 08	$31,180	$50,847	1	0	1
Supervising Operating Engineer-HVAC	1 12	$43,470	$70,890	3	0	3
Support Technician	1 05	$24,685	$40,290	1	0	1
Visitor Services Specialist	1 10	$36,605	$59,690	1	0	1
Welder	1 10	$36,605	$59,690	1	0	1
Total				127.8	2.3	130

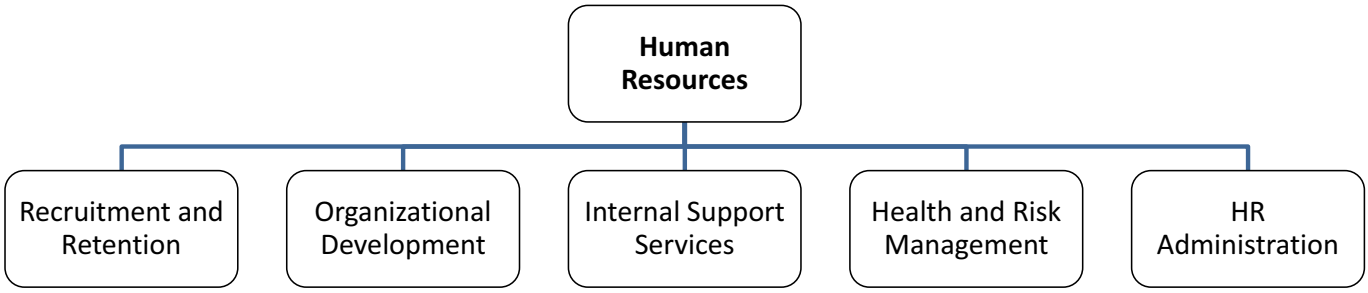
Human Resources

Mission Statement

The Department of Human Resources provides a comprehensive human resources management program by developing and implementing policies, programs, and services to support the City of Norfolk's priority of being a Well-Managed Government.

Department Overview

The Department of Human Resources provides support services in the administration of the city's human resources program by: developing cost efficient recruitment and selection strategies; creating and facilitating training programs to address the needs of employees; analyzing and recommending contemporary pay strategies, trends, and best practices; providing a comprehensive and cost-effective benefits program to include initiatives focused on safety and wellness; creating and consulting on policy development and interpretation; and providing timely and comprehensive advisory services related to investigations, grievance resolutions, disciplinary actions, and complaints.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Department of Human Resources supports the Priority Areas of Well-Managed Government; Economic Vitality and Workforce Development; and Lifelong Learning. The following actions have been established to achieve the long term goal of enhancing the efficiency of the city's programs and services, achieving a reputation as a well-managed government, and promoting the well-being of the city's employees:

Ongoing Actions	Status
Increase employment opportunities for veterans through inclusive recruitment practices	Ongoing
Increase and improve training and development opportunities for city employees	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Increase regionally based employment opportunities for Norfolk's residents					
Objective					
Eliminate barriers to employment					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of new hires who are veterans	17	14	18	18	0

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of our programs and services					
Objective					
Streamline the recruitment process to attract and hire quality candidates					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Customer satisfaction rating for quality of new hires	0	92	80	80	0

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Implement and clearly communicate citywide Human Resources administrative policies to ensure consistency and fairness throughout the organization					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of grievance panels held or scheduled	4	2	6	6	0
Number of grievances filed	11	7	29	29	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase the accessibility to lifelong learning opportunities using existing city and school resources					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of employees registering for the Learning Management System	21	18	25	25	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$2,283,673	$2,311,292	$2,370,910	$2,533,420
Materials, Supplies and Repairs	$40,421	$31,714	$35,432	$35,652
Contractual Services	$814,393	$863,836	$913,995	$916,059
Equipment	$10,619	$10,732	$11,431	$11,431
Total	$3,149,106	$3,217,575	$3,331,768	$3,496,562

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $16,946 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Support enhanced operations FY 2017 $140,472 FTE: 3**

  Address workload need by providing additional personnel for the implementation of the PeopleSoft Time and Labor and Absence Management modules, employee recruitment and retention, and training and professional development services.

  Priority Area(s) Met: Well-Managed Government

- **Support learning management system contract FY 2017 $7,406 FTE: 0**

  Technical adjustment to increase funds for the city's Learning Management System (LMS). The city has an agreement with the Commonwealth of Virginia to use the state's LMS for employee training. The state has added additional functionality to the LMS which has resulted in an increased cost to Norfolk.

  Priority Area(s) Met: Well-Managed Government

- **Reduce funds for contractual services FY 2017 ($28,754) FTE: 0**

  Reduce funds for contractual services for training and employee testing based on actual utilization.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures FY 2017 $220 FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $15,516 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system FY 2017 ($3,722) FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed to departments based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures FY 2017 $16,710 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Human Resources Total: $164,794 FTE: 3

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	1	0	1
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
City Safety Officer	1 16	$58,970	$96,145	1	0	1
City Wellness Coordinator	1 13	$46,885	$76,449	1	0	1
Director of Human Resources	1 24	$92,800	$159,120	1	0	1
Disability Case Manager	1 12	$43,470	$70,890	1	-1	0
Human Resources Administrator	1 14	$51,000	$84,354	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Human Resources Analyst	1 14	$46,885	$76,449	10	1	11
Human Resources Analyst, Senior	1 14	$51,000	$84,354	3	-2	1
Human Resources Assistant I	1 06	$26,900	$43,860	1	0	1
Human Resources Assistant II	1 07	$28,815	$47,022	1	1	2
Human Resources Manager	1 17	$63,000	$102,816	3	0	3
Human Resources Technician	1 09	$33,770	$55,060	7	2	9
Personnel Specialist	1 11	$40,005	$65,280	0	1	1
Safety Specialist	1 11	$40,005	$65,280	0	1	1
Software Analyst	1 13	$46,885	$76,449	1	0	1
Total				33	3	36

Community Development

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City Planning

Mission Statement

The Department of City Planning ensures the highest quality of life for present and future generations by providing excellent planning and enforcement services and emphasizing the development of safe, healthy, and fun communities where people choose to live, work, and play.

Department Overview

City Planning is responsible for developing and implementing short and long-range plans, goals, and policies, as approved by the City Council, that reflect the needs and interests of residents and the city. The department fulfills four primary functions: provision of long-range planning services; implementation of the city's land use regulations; implementation of federal, state, and local environmental programs, including the Chesapeake Bay Preservation Act, storm water management, and erosion control programs; and oversight of building safety during the construction process.

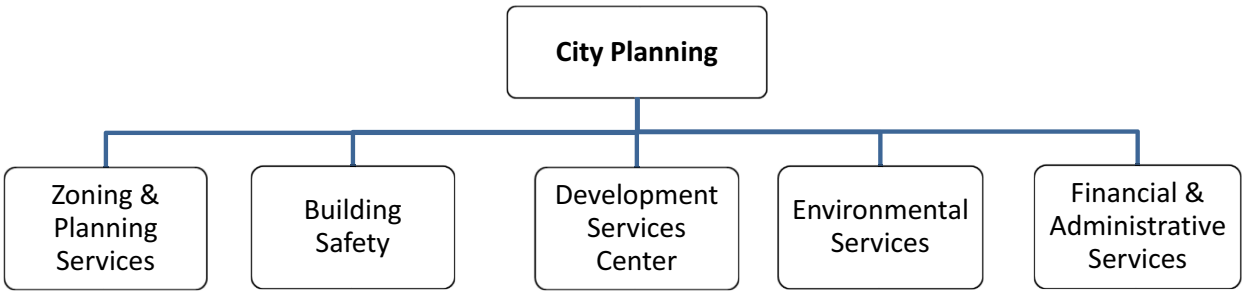
Planning Services: Develops and coordinates guidance and policy direction through the General Plan and other plans for: land use policies, transportation, economic development, neighborhood planning; and location of facilities. The bureau implements land use policy and regulates development practices through the maintenance and interpretation of the Zoning Ordinance and other applicable city codes.

Building Safety: Ensures building safety during the construction process by reviewing plans, issuing permits, inspecting construction work, managing elevator inspections, and enforcing the Virginia Uniform Statewide Building Code.

Development Services Center: Provides essential services prior to the construction process by reviewing residential and commercial plans, performing business license zoning reviews, and issuing trade permits.

Environmental Services: Implements the requirements of the Chesapeake Bay Preservation Act and the Erosion and Sediment Control Program, and coordinates shoreline restoration efforts, including wetland and dune restoration.

Financial and Administrative Services: Provides for the central management and coordination of departmental resources.



Actions to Achieve Long-Term Goals and Short-Term Objectives

City Planning primarily supports the Priority Areas of Safe, Healthy, and Inclusive Communities; Environmental Sustainability; and Economic Vitality. Actions in place to achieve the long term goals of providing a safe environment, protecting the city's natural resources, and diversifying Norfolk's economic base include:

Ongoing Actions	Status
Review commercial and residential plans in a timely manner; encourage staff to obtain additional training and certification above the minimum required	Ongoing
Design and construct wetland restoration projects on public land, encourage the implementation of "living shorelines" erosion control projects on private land, and assist residential and commercial landowners in controlling invasive grass species	Ongoing
Create web-based brochures to help guide residents and businesses through internal planning, zoning, and environmental processes	Ongoing
Initiate online permitting and plan review by posting plan review status online	Ongoing
Implement programs to improve the City's Community Rating System rating (which, ultimately, can lower flood insurance premiums)	Ongoing

Performance Measures

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase accessibility to lifelong learning opportunities using existing city and school resources					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of cooperative ed and college/ graduate-level interns	1	1	2	2	0

Priority: Environmental Sustainability					
Goal					
Enhance efficient use and protection of natural resources					
Objective					
Increase wetland areas					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Square footage of wetlands restored annually in accordance with the General Plan	209,708	23,713	40,000	40,000	0
Objective					
Create a culture of continuing sustainability					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of approved projects employing Green Building techniques	0	1	5	10	5

Priority: Accessibility, Mobility and Connectivity					
Goal					
Enhance residents' access to goods and services					
Objective					
Provide electronic application submission and posting					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of planning applications posted online within 48 hours following the filing deadline	100	96	96	97	1

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$5,954,434	$4,196,193	$4,596,712	$4,716,708
Materials, Supplies and Repairs	$130,362	$121,988	$110,370	$113,291
Contractual Services	$321,420	$124,407	$121,252	$131,252
Equipment	$12,995	$4,425	$900	$900
Department Specific Appropriation	$622,400	$0	$0	$0
Total	$7,041,611	$4,447,013	$4,829,234	$4,962,151

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $33,658 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general can constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Environmental Sustainability and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Add Senior Code Specialist positions FY 2017 $87,084 FTE: 2**

  Add two Senior Codes Specialist positions to the Bureau of Building Safety. The demand for inspections has increased over the last five years due to the rising economy. The addition of two inspectors allows the city to achieve its goal of providing inspections within 24 hours while maintaining the inspection quality.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Increase funds for training FY 2017 $10,000 FTE: 0**

  Provide one-time funds for training to enhance the professional and technical skill level of employees. An enhanced training program fosters improvements to the planning and permitting processes, as well as the overall customer service experience for Norfolk residents and businesses.

  Priority Area(s) Met: Well-Managed Government

- **Reduce personnel expenditures** **FY 2017 ($38,956)** **FTE: 0**

  Reduce personnel expenditures based on turnover and historical spending. This action aligns the department's budget with anticipated expenditures. No impact to service delivery is anticipated.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust costs for fleet expenditures** **FY 2017 $2,921** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $30,019** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Environmental Sustainability and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $17,019** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Environmental Sustainability and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Update personnel expenditures** **FY 2017 ($8,828)** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

City Planning **Total: $132,917** **FTE: 2**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	2	-1	1
Administrative Assistant II	1 10	$36,605	$59,690	0	1	1
Assistant Director	1 21	$79,375	$132,090	1	0	1
Bureau Manager	1 18	$67,350	$109,823	1	0	1
Business Manager	1 13	$46,885	$76,449	1	0	1
City Planner I	1 11	$40,005	$65,280	1	1	2
City Planner II	1 13	$46,885	$76,449	2	-1	1
City Planning Manager	1 17	$63,000	$102,816	2	0	2
City Planning Technician	1 09	$33,770	$55,060	1	0	1
Code Official	1 20	$76,000	$123,930	1	0	1
Codes Enforcement Team Leader	1 14	$51,000	$84,354	4	0	4
Codes Specialist, Senior	1 11	$40,005	$65,280	0	2	2
Director of City Planning	1 24	$92,800	$159,120	1	0	1
Environmental Engineer	1 14	$51,000	$84,354	1	0	1
Environmental Services Manager	1 19	$71,500	$116,280	1	0	1
Geographic Information Systems Technician II	1 11	$40,005	$65,280	1	0	1
Management Analyst I	1 11	$40,005	$65,280	1	0	1
Management Analyst II	1 13	$46,885	$76,449	1	0	1
Permit Technician	1 07	$28,815	$47,022	3	0	3
Permits Specialist	1 12	$43,470	$70,890	3	0	3
Permits Specialist, Senior	1 13	$46,885	$76,449	2	0	2
Principal Planner	1 15	$55,210	$90,270	4	0	4
Senior Codes Specialist	1 11	$40,005	$65,280	20	0	20
Senior Design & Rehabilitation Consultant	1 14	$51,000	$84,354	1	0	1
Senior Planner	1 14	$51,000	$84,354	1	0	1
Support Technician	1 05	$24,685	$40,290	2	0	2
Zoning Enforcement Specialist I	1 09	$33,770	$55,060	1	1	2
Zoning Enforcement Specialist II	1 10	$36,605	$59,690	2	-1	1
Zoning Enforcement Specialist III	1 12	$43,470	$70,890	1	0	1
Total				63	2	65

NEIGHBORHOOD DEVELOPMENT

MISSION STATEMENT

The Department of Neighborhood Development promotes thriving communities by engaging residents, and working with them to improve the quality of life in their neighborhoods. Neighborhood Development strives to promote and support civic participation, community partnerships, and accessibility to city services, and seeks to preserve and enhance the character of Norfolk's neighborhoods.

DEPARTMENT OVERVIEW

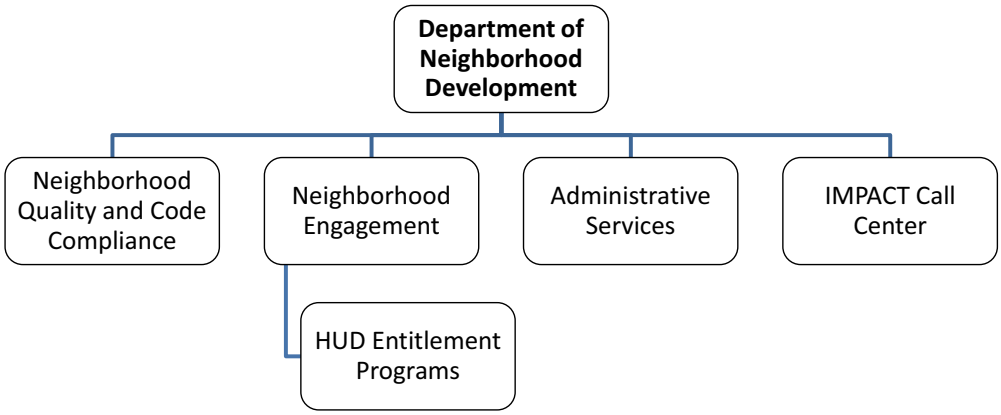
The Department of Neighborhood Development promotes and supports the highest quality of life for all residents in Norfolk. The department is comprised of four divisions that work together to support community development, neighborhood investment, and resident involvement.

- Administrative Services: Provides for the central management and coordination of departmental resources. Primary focus is on vision setting, the delivery of efficient and effective services to neighborhoods, and creating partnership opportunities with all Norfolk neighborhoods.

- Neighborhood Engagement: Works on behalf of, and supports the interest of neighborhoods and community based organizations by: fostering and promoting individual and community neighborhood involvement; supporting creative, constructive, and positive solutions to community concerns; administering the federal Housing and Urban Development (HUD) entitlement grant programs, in support of community development; cultivating organizational and leadership capacity; and positioning neighborhoods for investment and growth.

- Neighborhood Quality and Code Compliance: Supports the highest quality of life possible for all Norfolk neighborhoods by maintaining citywide standards for addressing blight, nuisances, and environmental conditions in coordination with other city departments, agencies, residents and businesses. Seeks voluntary compliance with applicable city codes and works in partnership with neighborhoods and community based organizations through ongoing and special public outreach programs and initiatives that promote self sufficiency of Norfolk neighborhoods.

- Norfolk Cares IMPACT Center: The single-point-of-contact for residents and businesses seeking information about city services. Through Norfolk Cares, residents can request a variety of city services, obtain information on city services, or receive an update on a previous request. Norfolk Cares is unique among municipal call centers because of its "start-to-finish" tracking of service requests to ensure timely resolution.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Department of Neighborhood Development primarily supports the Priority Areas of Safe, Healthy, and Inclusive Communities; Lifelong Learning; and Well-Managed Government. Actions undertaken to achieve the long term goal of improving the overall quality of life and vitality of all Norfolk neighborhoods include:

Ongoing Actions	Status
Educate resident and community organizations to develop capacity and partnerships to assist with producing a satisfying quality of life for all neighborhoods in the City of Norfolk	Ongoing
Serve as the initial point of contact and initiator for a variety of department service requests, thereby providing residents with seamless and effective service	Ongoing
Implement an effective and timely system of code violation response and remediation	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Respond to service complaints and close cases in timely manner					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of nuisance and environmental cases closed in 30 days (Please note: The department was created in FY 2015.)	0	92	85	85	0
Percent of housing cases closed or with approved plan of action in 180 days	0	88	85	85	0
Percent of complaints investigated w/in three working days	0	92	85	85	0

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Maintain effectiveness and efficiency standards established for administration and implementation of Federal programs					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of negative findings in the annual external audit of Federal programs managed by the HUD Entitlement Unit	4	4	0	0	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Connect residents and business to training, programs services, and resources to meet individual and community growth and sustainability					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of attendees at Neighbors Building Neighborhood (NBN) Academy workshops and trainings	0	129	75	75	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$0	$2,111,963	$2,320,302	$3,178,674
Materials, Supplies and Repairs	$0	$96,285	$77,972	$91,609
Contractual Services	$0	$208,197	$140,338	$149,483
Equipment	$0	$685	$5,250	$3,250
Department Specific Appropriation	$0	$656,216	$750,366	$731,637
Total	$0	$3,073,346	$3,294,228	$4,154,653

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$2,365,406	CDBG Community Initiatives	0
		CDBG Nuisance Abatement and Boardups	
		CDBG Renovate Norfolk	

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $22,542 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Transfer Impact Call Center from Communications & Technology FY 2017 $605,535 FTE: 14**

  Transfer the Impact Call Center to the Department of Neighborhood Development from the Department of Communications and Technology. This transfer was part of a citywide reorganization that occurred during FY 2016 to provide enhanced services to Norfolk neighborhoods. A corresponding adjustment can be found in the Department of Communications and Technology.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust IMPACT Call Center staffing FY 2017 $53,736 FTE: 2**

  Adjust IMPACT Call Center staffing to improve customer service. The IMPACT Call Center will expand to receive customer service calls for additional departments. Additional staff will provide enhanced call center coverage and response.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Reduce discretionary expenditures FY 2017 ($28,521) FTE: 0**

  Reduce discretionary spending for non-personnel expenditures including food, contractual services, and mileage. No impact to services is anticipated from this action.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust costs for fleet expenditures FY 2017 ($7,980) FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $18,620 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $93,403** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Update personnel expenditures** **FY 2017 $103,090** **FTE: 3**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the addition of two Senior Codes Specialists and one Management Analyst III. These are routine actions which occur at the beginning of the budget cycle.

Neighborhood Development **Total: $860,425** **FTE: 19**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant I	1 09	$33,770	$55,060	1	0	1
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Administrative Technician	1 07	$28,815	$47,022	1	0	1
Citizen Service Advisor I	1 05	$24,685	$40,290	0	10	10
Citizen Service Advisor II	1 07	$28,815	$47,022	0	2	2
Citizen Service Advisor III	1 09	$33,770	$55,060	0	2	2
Codes Specialist	1 10	$36,605	$59,690	15	0	15
Customer Service Manager	1 18	$67,350	$109,823	0	1	1
Director of Neighborhood Development	1 24	$92,800	$159,120	1	0	1
Division Head	1 16	$58,970	$96,145	1	0	1
Management Analyst I	1 11	$40,005	$65,280	1	0	1
Management Analyst II	1 13	$46,885	$76,449	1	0	1
Management Analyst III	1 14	$51,000	$84,354	0	1	1
Neighborhood Development Administrator	1 19	$71,500	$116,280	1	0	1
Neighborhood Development Specialist	1 11	$40,005	$65,280	1	0	1
Neighborhood Services Manager	1 15	$55,210	$90,270	1	0	1
Program Administrator	1 13	$46,885	$76,449	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Program Supervisor	1 13	$46,885	$76,449	0	1	1
Programs Manager	1 15	$55,210	$90,270	1	0	1
Public Services Coordinator	1 11	$40,005	$65,280	1	0	1
Senior Codes Specialist	1 11	$40,005	$65,280	4	2	6
Senior Neighborhood Development Specialist	1 13	$46,885	$76,449	5	0	5
Total				37	19	56

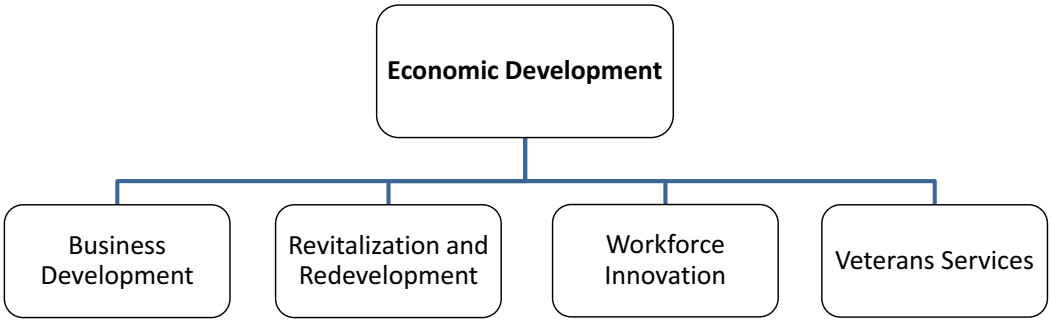
Economic Development

Mission Statement

The Department of Economic Development generates wealth for the City of Norfolk through business expansion, enhancement, and new business development complementary to the city's neighborhoods.

Department Overview

The Department of Economic Development creates economic opportunities across a broad range of disciplines, including; business attraction, expansion, and retention; international trade; downtown and neighborhood revitalization; and workforce development. The department assists in growing and diversifying the local economy, and creating competitive employment opportunities, with specific emphasis on military, veterans, and Small, Women, and Minority-owned (SWaM) businesses in Norfolk.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Department of Economic Development primarily supports the Priority Area of Economic Vitality and Workforce Development. The department's long term goals include diversifying and strengthening Norfolk's economic base; increasing small, women, veteran, and minority owned businesses within Norfolk; increasing regionally-based employment opportunities for Norfolk's residents; and increasing accessibility to lifelong learning. Actions taken to achieve these goals include:

Ongoing Actions	Status
Institute a business retention/expansion effort by implementing a strategic plan which includes an inventory of Norfolk businesses	Ongoing
Network and hold regular meetings with regional institutions and organizations to increase lifelong learning opportunities for Norfolk residents and to identify business employment needs	Ongoing
Increase support to new and existing Norfolk businesses by developing a new business concierge program and identifying new financing resources	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Expand, attract, and retain businesses within Norfolk					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of active businesses licensed in the city	12,913	14,745	14,000	14,200	200
Dollar value in millions of commercial investment	115	300	200	210	10
Objective					
Increase small, women, veteran, and minority owned businesses within Norfolk					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of small, women, veteran, and minority owned businesses that conduct business in the city	549	387	550	575	25

Priority: Economic Vitality and Workforce Development					
Goal					
Increase regionally-based employment opportunities for Norfolk's residents					
Objective					
Connect businesses and workers					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Achieve silver certification for Virginia Values Veterans (V3) Program	3	3	3	3	0
Objective					
Market cultural experiences available in Norfolk to the region and outside the region					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of events planned and held to honor veterans	2	2	2	2	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Network and identify opportunities for partnership among the city, local educational institutions, businesses, and community resources that will promote and expand lifelong learning for the city workforce and community members					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of small business outreach events	20	23	22	25	3

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,599,721	$1,407,710	$1,567,527	$1,781,455
Materials, Supplies and Repairs	$7,433	$18,179	$6,452	$6,559
Contractual Services	$216,072	$332,084	$224,614	$244,147
Equipment	$160	$0	$0	$0
Total	$1,823,386	$1,757,973	$1,798,593	$2,032,161

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$666,629	CDBG Community Infrastructure & Economic Development	0

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $13,892 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Add Senior Business Development Manager FY 2017 $109,330 FTE: 1**

  Add a Senior Business Development Manager to enhance small, women, and minority (SWaM) business program. The addition of the Senior Business Development Manager will assist the city in achieving its goal of diversifying and strengthening the economic base and providing increased opportunity for small, women, veteran, and minority owned businesses.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust lease rate for BB&T building FY 2017 $3,935 FTE: 0**

  Technical adjustment to provide funds for lease payments due to contractual rent increase. The existing contract for space in the BB&T building calls for a three percent escalation each calendar year. Projected rent costs will increase from $131,237 to $135,171.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust costs for fleet expenditures** **FY 2017 $107** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Economic Vitality and Workforce Development

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $6,541** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust required contribution to the city's retirement system** **FY 2017 $52,583** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Economic Vitality and Workforce Development

- **Update personnel expenditures** **FY 2017 $47,180** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Development **Total: $233,568** **FTE: 1**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Analyst	1 13	$46,885	$76,449	2	0	2
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Assistant Director	1 21	$79,375	$132,090	2	0	2
Business Development Consultant	1 13	$46,885	$76,449	1	0	1
Business Development Manager	1 16	$58,970	$96,145	7	0	7
Director of Development	1 24	$92,800	$159,120	1	0	1
Office Manager	1 09	$33,770	$55,060	1	0	1
Senior Business Development Manager	1 17	$63,000	$102,816	3	1	4
Special Assistant	1 20	$76,000	$123,930	1	0	1
Total				19	1	20

Parks, Recreation and Culture

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Libraries

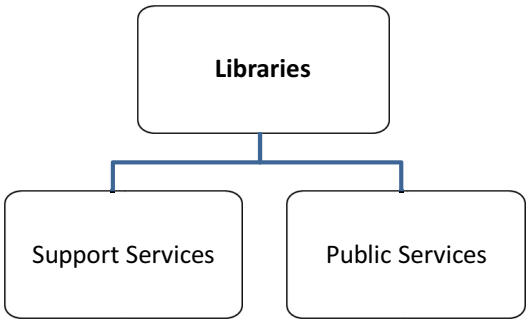
Mission Statement

The Norfolk Public Library provides equal opportunity access to information, high quality books and multimedia materials, programs, exhibits, and online resources to meet the needs of the diverse community for lifelong learning, cultural enrichment, and intellectual stimulation. To fulfill its mission, the Library employs a knowledgeable, well-trained staff committed to excellent service and civility.

Department Overview

The Norfolk Public Library is comprised of two basic divisions: Public Services and Support Services. Public Services involves all entities actively engaged with the public. Facilities includes the ten branches, one anchor branch library, a Bookmobile, and the new Slover Library. Support Services activities includes the "behind the scenes" operations of the Library. This includes the business office; collection development: selecting, ordering, and weeding the collections and materials; technical services-acquisitions, purchasing, and cataloging; library automation; and public relations.

The focus of the library is articulated in the plan, "Strategic Directions for the Norfolk Public Library, 2012-2017." The planning and delivery of library services is based on stated community needs. The branch libraries serve the community through Early Childhood Literacy Programs (Babygarten, 1-2-3 Play with Me, Toddler Time, Storytime, and KinderSTEM), KidZones, Learning Edge, after-school programming, access to computers, and book collections that provide students with the resources needed to complete homework. In addition, the library collection provides residents with popular fiction and nonfiction books, eBooks, audiobooks, eAudiobooks, magazines and newspapers, eMagazines, microfilm, manuscripts, photographs, and online resources that include language instruction, investment information, homework help, career and test preparation, encyclopedias, dictionaries, genealogy, history, business, marketing, and other research databases.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Norfolk Public Library supports the Priority Areas of Lifelong Learning; Accessibility, Mobility and Connectivity; and Well-Managed Government. Actions in place to achieve the long term goals of increasing access to city services and library information, enhancing the vitality of Norfolk neighborhoods, and diversifying the economic base include:

Ongoing Actions	Status
Focus on patron and community needs by providing access to a robust library collection	Ongoing
Provide programming to stimulate interest in local history, genealogy, and cultural diversity	Ongoing
Promote literacy by coordinating system-wide programming for babies, youth, tweens/teens and families	Ongoing
Provide resources to the public on library and community programs through information technology and city and community partnerships	Ongoing
Connect patrons, neighborhoods, and the community to library branches and programming through volunteer opportunities	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of our programs and services					
Objective					
Expand the utilization of alternative fiscal and volunteer resources to enhance NPL programs and services					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Dollar value of volunteer hours (New measure in FY 2017)	0	0	0	170,000	170,000
Number of volunteer hours at library locations-inclusive of Bookmobile	5,835	14,484	17,000	17,000	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase accessibility to lifelong learning at Norfolk Public Libraries by offering a variety of programs for children, teens, and families					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of weekly early literacy program sessions offered throughout the year at libraries and offsite locations	750	2,484	800	800	0
Number of multicultural programs offered	44	56	76	83	7
Number of early literacy program participants (New measure in FY 2017)	0	0	0	10,000	10,000
Total number of NPL program participants (New measure in FY 2017)	0	0	0	63,000	63,000
Percent of early literacy program participants citing improved reading behaviors and skill (New measure in FY 2017)	0	0	0	80	80
Number of multicultural program attendees (New measure in FY 2017)	0	0	0	2,600	2,600

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
To inform, educate, and entertain through the provision of a wide variety of library resources and materials					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of Online Language Learning and Online Career Test Preparation Services sessions used	1,606	706	4,000	4,100	100
Number of materials circulated	764,587	749,876	981,000	987,500	6,500
Number of materials in the collection-books, eBooks, CDs, etc. (New measure in FY 2017)	0	0	0	600,000	600,000

Priority: Accessibility, Mobility and Connectivity					
Goal					
Increase access to city services and library information					
Objective					
Increase use of social media and web tools to communicate information to the public on library services as well as community information					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of NPL website visitors navigating beyond the landing page to other library resources (New measure in FY 2017)	0	0	0	45	45
Number of NPL website page views	737,087	651,960	800,000	810,000	10,000
NPL e-newsletter open rate (percent of recipients)	24	34	30	33	3
Objective					
Maintain and enhance the utility of library locations as places of social/community engagement, lifelong learning, and resource utilization					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of non-NPL sponsored events held in branch and Slover meeting rooms (New measure in FY 2017)	0	0	0	1,637	1,637
Number of library visitors during the fiscal year (New measure in FY 2017)	0	0	0	1,200,000	1,200,000

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$5,911,972	$6,598,829	$8,296,394	$8,727,787
Materials, Supplies and Repairs	$341,950	$344,148	$439,542	$448,888
Contractual Services	$617,741	$622,810	$726,401	$743,619
Equipment	$1,195,675	$2,028,851	$1,611,016	$1,769,216
Total	$8,067,338	$9,594,638	$11,073,353	$11,689,510

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$152,764	Library Donations	0
		Pretlow Donations	
		Universal Services Fund	

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $63,225 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Lifelong Learning

- **Purchase Broad Creek Library books and materials FY 2017 $142,000 FTE: 0**

  Technical adjustment to provide funds for books and materials for the Broad Creek Library scheduled to open Fall 2017.

  Priority Area(s) Met: Lifelong Learning

- **Support Broad Creek Library operating costs FY 2017 $43,500 FTE: 0**

  Technical adjustment to provide funds for operating supplies, telephone and internet services, purchase of printers, and programming to support technology, youth, and adult services for the Broad Creek Library scheduled to open Fall 2017.

  Priority Area(s) Met: Lifelong Learning

- **Support Broad Creek Library staffing FY 2017 $27,038 FTE: 3**

  Technical adjustment to provide FY 2017 funds for a Librarian III (April), a Library Associate II (June), and a Senior Microcomputer Systems Analyst (June) for the new Broad Creek Library scheduled to open Fall 2017.

  Priority Area(s) Met: Lifelong Learning

- **Fund contract for library materials database FY 2017 $6,583 FTE: 0**

  Technical adjustment to provide funds for the annual contractual increase for the Sirsi inventory checkout system installed in the new Slover Library and the initial test site at Little Creek Library.

  Priority Area(s) Met: Lifelong Learning

- **Eliminate a Library Associate II and Library Aide FY 2017 ($45,678) FTE: -1**

  Eliminate vacant Library Associate II and Library Aide positions as part of the citywide efficiency gains initiative to implement operational efficiencies. Duties of the positions will be performed with existing staff. No impact to services is anticipated.

  Priority Area(s) Met: Lifelong Learning

- **Adjust costs for Fleet expenditures FY 2017 ($7,319) FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Lifelong Learning

- **Annualize Phase II of ARMD compensation strategy FY 2017 $84,393 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Lifelong Learning

- **Adjust required contribution to the city's retirement system FY 2017 $243,697 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Lifelong Learning

- **Update personnel expenditures FY 2017 $58,718 FTE: 1**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the addition of a Librarian II. These are routine actions which occur at the beginning of the budget cycle.

Libraries Total: $616,157 FTE: 3

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	1	0	1
Administrative Assistant II	1 10	$36,605	$59,690	1.8	0	1.8
Administrative Technician	1 07	$28,815	$47,022	1	0	1
Applications Development Team Supervisor	1 17	$63,000	$102,816	1	0	1
Business Manager	1 13	$46,885	$76,449	1	0	1
City Historian	1 12	$43,470	$70,890	1	0	1
Data Quality Control Analyst	1 07	$28,815	$47,022	1	0	1
Director of Libraries	1 24	$92,800	$159,120	1	0	1
Event Coordinator	1 12	$43,470	$70,890	0	1	1
Executive Director - Slover Library	1 21	$79,375	$132,090	1	0	1
Information Technology Trainer	1 12	$43,470	$70,890	3	0	3
Librarian I	1 11	$40,005	$65,280	14	-3	11
Librarian II	1 14	$51,000	$84,354	12	2	14

FULL TIME EQUIVALENT (FTE) SUMMARY

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Librarian III	1 15	$55,210	$90,270	5	0	5
Library Assistant I	1 04	$22,875	$37,301	0.6	0	0.6
Library Assistant II	1 06	$26,900	$43,860	22.8	0	22.8
Library Associate I	1 08	$31,180	$50,847	26.4	0	26.4
Library Associate II	1 09	$33,770	$55,060	9	3	12
Library Manager	1 18	$67,350	$109,823	2	0	2
Manager of Visitor Marketing	1 14	$51,000	$84,354	1	0	1
Media Production Specialist	1 12	$43,470	$70,890	2	0	2
Messenger/Driver	1 02	$19,705	$32,135	1	0	1
Microcomputer Systems Analyst	1 13	$46,885	$76,449	1	0	1
Microcomputer Systems Analyst, Senior	1 14	$51,000	$84,354	0	1	1
Office Assistant	1 03	$21,222	$34,609	1	0	1
Program Administrator	1 13	$46,885	$76,449	1	-1	0
Programmer/Analyst III	1 13	$46,885	$76,449	1	0	1
Project Coordinator	1 13	$46,885	$76,449	1	0	1
Public Relations Specialist	1 12	$43,470	$70,890	1	0	1
Public Services Coordinator	1 11	$40,005	$65,280	1	0	1
Senior Microcomputer Systems Analyst	1 14	$51,000	$84,354	5	0	5
Total				121.6	3	124.6

Cultural Facilities, Arts and Entertainment

Mission Statement

Cultural Facilities, Arts, and Entertainment provides diverse live entertainment, inclusive community events, and vibrant public art to enrich and celebrate life in Norfolk. The department promotes collaboration, responsible management, economic, and cultural vitality, and educational opportunities.

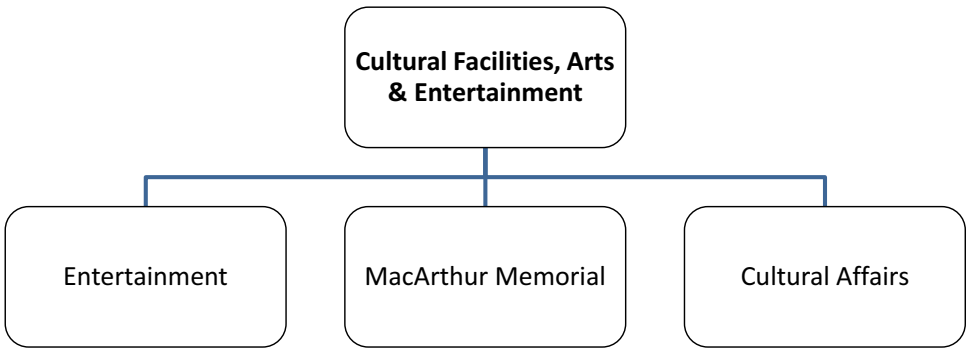
Department Overview

The Department of Cultural Facilities, Arts and Entertainment (Cultural Facilities) manages ten facilities for the city: Scope, Chrysler Hall, Scope Exhibition Hall, Wells Theater, Harrison Opera House, Harbor Park, MacArthur Memorial, Attucks Theatre, Town Point Park, and Little Hall. The department serves more than one million patrons at over 1,000 events annually. The department consists of three bureaus: Events (SevenVenues), Cultural Affairs, and Museums.

SevenVenues is responsible for the programming, management, and providing the equipment for many of the city's indoor and outdoor events. The indoor events that occur in the facilities listed above include: the Triple-A (AAA) Baseball; East Coast Hockey League (ECHL) Hockey; Virginia Symphony; Virginia Opera; Virginia Stage Company; Generic Theatre; Virginia Arts Festival; Ringling Brothers Circus; Mid-Eastern Athletic Conference (MEAC) Basketball; Broadway at Chrysler Hall; Norfolk Forum; and many other touring shows that come to Norfolk to present. In addition, the bureau manages all of the city's special events from runs and walks, to parades and neighborhood gatherings, to festivals and concerts.

Cultural Affairs includes the city's Public Art Program. This program utilizes the talents of many local and national artists and incorporates the knowledge and desires of residents of the city to assist with the process of making choices in the selection of artists, the type of art to be developed, and the location of art works displayed in various locations around Norfolk. The bureau is also home to the Arts and Humanities Commission, which is responsible for granting thousands of dollars each year to various not for profit arts organizations.

Finally, the Museums Bureau has the responsibility for maintaining and operating the MacArthur Memorial. MacArthur Memorial is dedicated to preserving the legacy of General Douglas MacArthur, and is a free and open to the public museum as well as a world-renowned research facility.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The departmental focus touches all city Priority Areas, with key focus on two areas: Economic Vitality and Workforce Development and Lifelong Learning. The department provides inspiring live entertainment, diverse community events, and vibrant public art to enrich and celebrate life in Norfolk. Actions undertaken to achieve its goals include:

Ongoing Actions	Status
Offer high quality and diverse arts and entertainment programs to meet the needs and expectations of community members, patrons, regional residents, tourists, artists, etc.	Ongoing
Collaborate, both internally and externally, to promote increased tourism and revenue generation	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development

Goal

Diversify and strengthen entertainment venues and "cool city" amenities in Norfolk

Objective

Number of entertainment opportunities for patrons to have fun

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of CFAE-sponsored events	2,064	1,620	1,750	1,840	90
Number of attendees for all events	974,642	1,166,980	1,184,818	1,220,362	35,544

Objective

Grow the use of all social media to better inform residents of events taking place throughout our venues

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of patrons/potential patrons actively engaged in CFAE social media-inclusive of liking, commenting, and sharing (New measure for FY 2017)	0	0	0	20,000	20,000
Number of patrons or potential patrons who receive regular communication about upcoming events	136,279	174,891	172,640	177,820	5,180

Priority: Economic Vitality and Workforce Development					
Objective					
Increase revenue streams through new and innovative approaches including: sponsorship dollars, all-in-one package ticket offers, updated rental promotion/pricing, and collaboration between internal and external partners					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Estimated economic impact of CFAE-sponsored events-in millions of dollars (New measure for 2017)	0	0	0	24,000,000	24,000,000
Total event revenue in dollars	884,040	1,569,349	1,138,500	1,138,500	0
Objective					
Increase choice of entertainment venues for all demographic groups, including the "creative class"					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of special programs and events at MacArthur Memorial	36	38	36	38	2
Estimated number of people viewing public art daily (New measure in FY 2017)	0	0	0	300,000	300,000

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Present educational and historical exhibits, provide historical research assistance, and provide high quality educational programs					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of MacArthur Memorial archive research inquiries	3,026	3,210	3,500	3,500	0
Number of students served through research assistance, Memorial tours, and educational programming	16,020	14,669	15,000	15,450	450
Objective					
Increase vocational and technical skills training opportunities for Norfolk residents within areas identified in the community workforce plan					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants in MacArthur Memorial educational and cultural programs	38,753	40,486	45,000	45,000	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$3,914,623	$3,241,566	$3,332,646	$3,445,485
Materials, Supplies and Repairs	$1,409,532	$1,252,328	$1,288,848	$1,299,871
Contractual Services	$1,235,775	$1,007,090	$911,233	$872,780
Equipment	$11,121	$7,662	$10,355	$10,355
Department Specific Appropriation	$0	$0	$0	$75,000
Total	$6,571,051	$5,508,646	$5,543,082	$5,703,491

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$135,000	Local Government Challenge Grant	0
		National Endowment for the Arts Our Town Grants	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $32,150 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Economic Vitality and Workforce Development and Lifelong Learning and Safe, Healthy, and Inclusive Communities

- **Support d'Art Center lease agreement FY 2017 $63,261 FTE: 0**

  Technical adjustment to provide funds for the city portion of an annual lease agreement with d'Art Center. The total lease agreement is $102,708 per year. The d'Art Center will pay $39,447 annually and the remaining portion of $63,261 will be paid by the city.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Support contract increase FY 2017 $75,000 FTE: 0**

  Provide funds for contractual costs associated with the renewal of sporting events. Public-private sponsored sporting events promote social, cultural, and tourism benefits, and result in increased tax revenue.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Remove one-time funds for programming at Attucks Theatre** **FY 2017 ($75,000)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2014 to support a three year commitment for programming at the Attucks Theatre.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Centralize elevator maintenance operations** **FY 2017 ($26,714)** **FTE: 0**

  Implement an efficiency initiative to centralize elevator maintenance services. This action moves elevator maintenance responsibilities to the Department of General Services. A corresponding adjustment can be found in the Department of General Services.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities

- **Expand privatization of custodial services** **FY 2017 ($3,300)** **FTE: 0**

  Transfer funds for custodial services from the Department of Cultural Facilities, Arts and Entertainment to the Department of General Services. This actions continues the privatization of custodial services under the direction of General Services. A corresponding adjustment can be found in the Department of General Services.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 $14,323** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $33,985** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Economic Vitality and Workforce Development and Lifelong Learning and Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $50,399** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 ($3,695)** **FTE: 1**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the addition of a Maintenance Worker II. These are routine actions which occur at the beginning of the budget cycle.

Cultural Facilities, Arts and Entertainment **Total: $160,409** **FTE: 1**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	1	0	1
Accountant II	1 12	$43,470	$70,890	1	0	1
Accounting Manager	1 16	$63,000	$102,816	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	0	1	1
Administrative Technician	1 07	$28,815	$47,022	2	0	2
Archivist	1 11	$40,005	$65,280	1	0	1
Arts Manager	1 15	$55,210	$90,270	1	0	1
Assistant Director	1 21	$79,375	$132,090	1	0	1
Box Office Manager	1 13	$46,885	$76,449	1	0	1
Box Office Supervisor	1 09	$33,770	$55,060	2	0	2
Bureau Manager	1 18	$67,350	$109,823	0	1	1
Creative Designer & Production Manager	1 12	$43,470	$70,890	1	0	1
Crew Leader II	1 09	$33,770	$55,060	3	0	3
Curator	1 12	$43,470	$70,890	1	0	1
Director of Cultural Facilities, Arts, & Entertainment	1 24	$92,800	$159,120	1	0	1
Division Head	1 16	$58,970	$96,145	0	1	1
Education Manager	1 14	$51,000	$84,354	1	0	1
Event Coordinator	1 12	$43,470	$70,890	3	3	6
Event Manager	1 14	$51,000	$84,354	1	0	1
Event Support Crew Member I	1 04	$22,875	$37,301	8	0	8
Event Support Crew Member II	1 06	$26,900	$43,860	7	0	7
MacArthur Memorial Director	1 18	$67,350	$109,823	1	0	1
Maintenance Worker II	1 06	$26,900	$43,860	0	1	1
Management Analyst II	1 13	$46,885	$76,449	1	-1	0
Manager of Event Services and Production	1 16	$58,970	$96,145	1	-1	0
Manager of the Office of Cultural Affairs & Special Events	1 18	$67,350	$109,823	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Manager of Visitor Marketing	1 14	$51,000	$84,354	1	-1	0
Museum Attendant	1 04	$22,875	$37,301	2	0	2
Office Manager	1 09	$33,770	$55,060	1	0	1
Operations Manager	1 14	$51,000	$84,354	1	0	1
Public Relations Specialist	1 12	$43,470	$70,890	0	1	1
Special Events & Facilities Coordinator	1 12	$43,470	$70,890	3	-3	0
Stage Crew Chief	1 11	$40,005	$65,280	1	0	1
Stage Production Manager	1 12	$43,470	$70,890	1	0	1
Support Technician	1 05	$24,685	$40,290	2	-1	1
Total				53	1	54

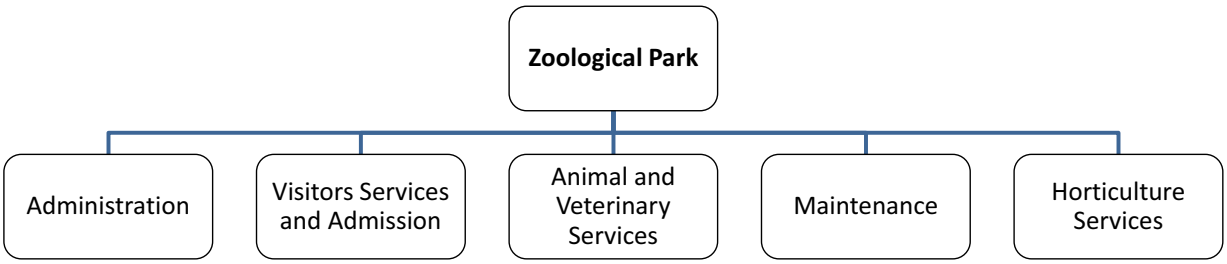
Zoological Park

Mission Statement

The Virginia Zoological Park is a conservation, education, and recreation organization dedicated to the sustainable reproduction, protection, and exhibition of animals, plants, and their habitats. This mission is abbreviated in the slogan, "education - recreation - research - conservation."

Department Overview

The Virginia Zoo is a hybrid organization that employs staff through the City of Norfolk and the Virginia Zoological Society. The Zoological Society provides support services in the following ways: facility enhancements, membership, fundraising, marketing and promotions, special events, education, and food and retail operations. The City of Norfolk support services include: animal services, veterinary services, horticulture, operations, visitor services/admissions, and administration. Animal services maintain the welfare of the animal collection. Veterinary services provide medical and veterinary care for the Zoo's animals. Horticulture services provide grounds maintenance for the Zoo's 55 acres including animal exhibits, flowerbeds and plants. Maintenance performs repairs and maintains the Zoo's infrastructure. Operations oversee security services, safety, and maintenance to the Zoo's infrastructure. Visitor services manage the front entrance operations. Administration oversees visitor services, gate admissions, and the operations of the Zoo in regards to the capital and operating budgets.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Virginia Zoological Park primarily supports the Priority Areas of Economic Vitality and Workforce Development; Environmental Sustainability; and Lifelong Learning. Actions in place to achieve the long-term goals of diversifying and strengthening Norfolk's economic base and the Zoo as an entertainment venue; promoting a culture of lifelong learning; and increasing wildlife and environmental awareness through community workforce partnerships with residents, schools, and local businesses include:

Ongoing Actions	Status
Engage in effective marketing of zoo programs and events, through a variety of channels, to increase attendance	Ongoing

Ongoing Actions	Status
Post information, photos and videos on social media sites regarding animal news, events, discounts, and programs to promote Zoo activities to Virginia Zoo followers	Ongoing
Collaborate with area schools and science educator organizations, attend science fairs, and take animals off-site on outreach programs to promote interest in the Zoo and provide wildlife learning opportunities to residents and students	Ongoing
Attract and retain long term volunteers to sustain and enhance programming provided by the Zoological Park	Ongoing
Renovate existing animal exhibits to improve the environment of the animals, while enhancing public interaction with the animal collection	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen entertainment venues and "cool city" amenities in Norfolk					
Objective					
Market cultural experiences available in Norfolk to the region and outside the region to increase attendance					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of zoo visitors	444,994	427,892	500,000	500,000	0
Objective					
Market cultural experiences available in Norfolk to the region and outside the region					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of social media messages sent to zoo members and the public to increase event participation and attendance	19	1,312	1,000	1,100	100

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Expand, attract, and retain businesses within Norfolk					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of environmentally conscious vendors from which zoo acquires saleable merchandise and compare sales to determine benefit, revenue and sustainability	7	35	7	8	1
Number of zoo exhibit renovations	12	16	13	14	1

Priority: Lifelong Learning					
Goal					
Increase accessibility to Lifelong Learning					
Objective					
Network and identify opportunities for partnership among regional colleges, universities, high schools and businesses to provide vocational and technical training opportunities through a comprehensive intern and volunteer program					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of volunteers	155	480	165	170	5
Objective					
Increase accessibility to lifelong learning opportunities using existing city and school resources					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of partnerships to deliver educational programming in area schools	8	6	17	18	1

Priority: Lifelong Learning					
Goal					
Achieve a well-trained, qualified community workforce					
Objective					
Increase vocational and technical skills training opportunities for Norfolk residents within areas identified in the community workforce plan					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of zoo staff receiving advanced training to create a vibrant leadership succession plan	60	22	70	71	1
Number of interns recruited from area colleges, universities, and vocational schools to work and learn at the zoo	12	18	19	20	1

Priority: Environmental Sustainability					
Goal					
Enhance efficient use and protection of natural resources					
Objective					
Create a culture of continuing sustainability by implementing educational and outreach programs to increase wildlife and environmental awareness					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of exhibits improved	19	33	21	22	1
Number of sustainability projects for animals (nationally and locally)	18	16	27	28	1

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$2,724,411	$2,390,671	$2,501,698	$2,761,974
Materials, Supplies and Repairs	$801,411	$730,540	$745,816	$805,442
Contractual Services	$426,848	$550,797	$422,529	$572,159
Equipment	$76,282	$30,270	$57,091	$57,091
Total	$4,028,952	$3,702,279	$3,727,134	$4,196,666

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $19,053 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities

- **Support increase in utility costs FY 2017 $101,874 FTE: 0**

  Technical adjustment to support additional utility costs due to increased usage by the animal exhibits, restaurant, administration building, and the new wellness center.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support increase for animal food FY 2017 $18,929 FTE: 0**

  Technical adjustment to support the increased cost to purchase hay, grain, produce, rodents, and frozen meats for the animal collection.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support increase for custodial costs FY 2017 $4,168 FTE: 0**

  Technical adjustment to provide additional funds for the contractual three percent increase for janitorial and custodial services.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Provide funds for treatment of ponds and water sources FY 2017 $7,056 FTE: 0**

  Technical adjustment to provide additional funds for chemicals to treat the pond and other water sources throughout the Zoo for algae and contaminants.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Provide funds for mandated laboratory services** **FY 2017 $16,533** **FTE: 0**

  Technical adjustment to provide funds for mandated veterinary laboratory services for animal care in the Animal Wellness Center. The center opened Summer 2015.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support Reptile House operations** **FY 2017 $107,281** **FTE: 2**

  Technical adjustment to add two Zookeeper positions and fund operations for the newly renovated Reptile House. Renovations to the Reptile House are anticipated to be completed winter 2017. The positions support the increase in the Zoo's animal collection and fulfills the required staffing for the accreditation by the Association of Zoos and Aquariums (AZA).

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities

- **Support increase for water and sewer rates** **FY 2017 $12,854** **FTE: 0**

  Technical adjustment for additional funding for the utility increases for water and sewer rates. The water rate will increase by $0.15 from $4.30 per cubic feet (CCF) to $4.45 per CCF and the sewer rate will increase by $0.14 from $3.53 per CCF to $3.67 per CCF.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Add a Horticulture Technician** **FY 2017 $26,868** **FTE: 1**

  Provide funds for a Horticulture Technician. The position assists with maintaining the Zoo grounds and plant collection and fulfills the required staffing for the accreditation by the Association of Zoos and Aquariums (AZA).

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Add a Quality Assurance Inspector** **FY 2017 $33,936** **FTE: 1**

  Technical adjustment to add a Quality Assurance Inspector position. The position supports the FY 2017 renovation of the Zoo Farm and Reptile House, adheres to the staffing levels needed for accreditation by the Association of Zoos and Aquariums (AZA), monitors and oversees the environmental quality of the exhibits, and the entire animal collection throughout the Zoo.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust costs for Fleet expenditures** **FY 2017 $13,297** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Annualize Phase II of ARMD compensation strategy FY 2017 $20,003 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system FY 2017 $21,899 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures FY 2017 $65,781 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Zoological Park Total: $469,532 FTE: 4

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant II	1 10	$36,605	$59,690	1	-1	0
Assistant Director	1 21	$79,375	$132,090	0	1	1
Assistant Supervisor of Animal Services	1 12	$43,470	$70,890	2	0	2
Business Manager	1 13	$46,885	$76,449	0	1	1
Customer Service Representative	1 05	$24,685	$40,290	4.1	0	4.1
Director of the Virginia Zoological Park	1 24	$92,800	$159,120	1	0	1
Equipment Operator II	1 06	$26,900	$43,860	1	0	1
Groundskeeper	1 04	$22,875	$37,301	2	0	2
Horticulture Technician	1 05	$24,685	$40,290	3	1	4
Horticulturist	1 12	$43,470	$70,890	1	0	1
Landscape Coordinator II	1 12	$43,470	$70,890	1	0	1
Lead Zookeeper	1 09	$33,770	$55,060	5	0	5

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Operations Manager	1 14	$51,000	$84,354	1	0	1
Quality Assurance Inspector	1 08	$31,180	$50,847	0	1	1
Security Officer	1 06	$26,900	$43,860	3	0	3
Superintendent of the Virginia Zoological Park	1 20	$76,000	$123,930	1	-1	0
Veterinarian	1 14	$51,000	$84,354	1	0	1
Veterinary Technician	1 07	$28,815	$47,022	1	0	1
Visitor Services Assistant	1 05	$24,685	$40,290	2	0	2
Visitor Services Coordinator	1 08	$31,180	$50,847	1	0	1
Zookeeper	1 07	$28,815	$47,022	16	2	18
Total				47.1	4	51.1

The National Maritime Center

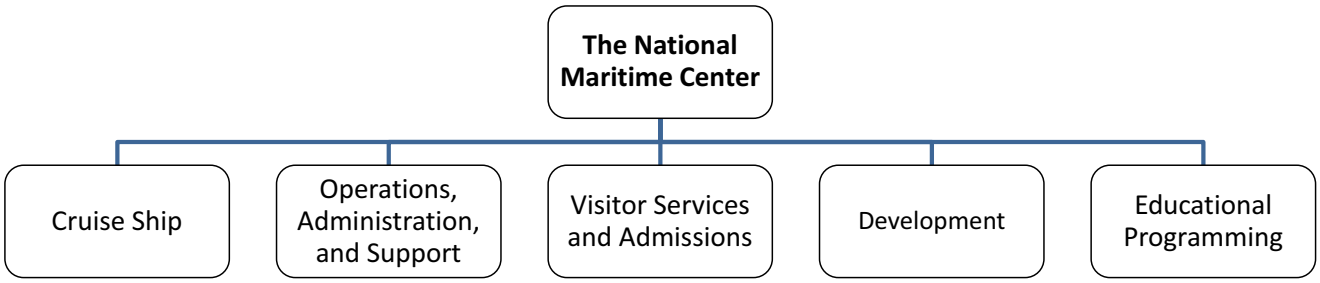
Mission Statement

The National Maritime Center's mission is to (1) inspire and educate visitors from across the country with engaging and interactive experiences and (2) serve as an economic catalyst by generating revenue from museum admission, event rentals, and cruise ship operations. The Center not only seeks to create additional direct revenue for the city by managing these assets, but also to generate a larger "footprint" as museum guests and cruise passengers park, eat, shop, and stay in Downtown Norfolk.

Department Overview

The Nauticus campus is a valued community resource and major tourist destination, attracting more than 250,000 visitors annually. Appealing to diverse audiences, Nauticus explores the economic, naval, and natural power of the sea and features hands-on exhibits, marine life, 3D movies, educational programs that meet the Virginia Standards of Learning (SOLs), the awe-inspiring Battleship Wisconsin-one of the largest and last battleships built by the U.S. Navy, the Hampton Roads Naval Museum, the Banana Pier Gift Shop, the Dockside Cafe, and the Nauticus Marina.

Nauticus also operates the Sail Nauticus Community Sailing Center, which offers sailing instruction and other sailing programs primarily to underserved populations; and the Half Moone Cruise and Celebration Center, which has welcomed more than 450,000 passengers and 60,000 crew members since opening in 2007, contributing more than $8.5 million in direct revenue and nearly $53 million in indirect impact for the City. In addition, the campus' special event business is robust and generates rental income as well as parking and other revenue from event attendees. Nauticus also has a growing membership program and a core of dedicated and active volunteers. Among Nauticus' signature programs is Dickens' Christmas Towne, an immersive walk-through holiday experience in Victorian London, which draws more than 20,000 visitors annually.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Nauticus campus assets are continuously leveraged and enhanced in exciting and creative ways to support the Economic Vitality and Workforce Development; Lifelong Learning; and Well Managed Government Priority Areas. Nauticus supports the long-term goals of diversifying and strengthening entertainment venues, increasing access to lifelong learning, and achieving a reputation as a well-managed government through the following actions:

Ongoing Actions	Status
Provide interactive and relevant educational programs and exhibits in the Nauticus Museum and Battleship Wisconsin to visitors in the areas of science, technology, engineering, math, and Naval and port history	Ongoing
Present large format exhibitions and promote fee-based private use for the Half Moone Cruise Terminal to fully leverage the unique attributes of the facility to bring additional revenue to the City and visitors to the downtown waterfront	Ongoing
Leverage the Port of Norfolk's competitive advantages in marketing to cruise passengers and cruise lines, develop guest programs to attract home port passengers, and expand local sight-seeing options for stop-over cruise passengers	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development

Goal

Diversify and strengthen entertainment venues and "cool city" amenities in Norfolk

Objective

Increase the number of visitors to Nauticus by expanding the variety of programs, targeting various demographic groups including the creative class

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of visitors to Nauticus	197,722	227,376	226,000	237,000	11,000

Objective

Increase Norfolk's reputation as a premier cruise ship port of call by improving factors that make cruising from Norfolk more attractive to both cruise patrons and international cruise lines

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of cruise ship passengers	18,500	34,066	45,000	45,000	0

Priority: Well-Managed Government

Goal

Achieve a reputation internally and externally as a well-managed government

Objective

Increase utilization of the Half Moone Cruise and Celebration Terminal, Battleship Wisconsin, and Nauticus Museum as premier venues for weddings and corporate functions

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of Half Moone rentals	159	121	168	180	12

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Establish Nauticus as a premium community resource for informal education by developing fun and engaging educational programs that leverage the unique environment of the Battleship Wisconsin and other campus assets					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Attendance at Battleship Wisconsin programs	23,109	30,634	23,950	25,100	1,150

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Use of Money and Property	$1,023,810	$1,008,473	$1,023,340	$1,101,900
Charges for Services	$2,022,180	$1,970,208	$2,431,985	$2,417,608
Miscellaneous Revenue	$19,235	$7,720	$16,600	$47,250
Other Sources and Transfers In	$2,212,185	$1,418,880	$1,331,766	$1,477,022
Total	$5,277,410	$4,405,281	$4,803,691	$5,043,780

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$2,867,125	$2,467,795	$2,626,731	$2,711,878
Materials, Supplies and Repairs	$1,120,294	$994,705	$1,033,281	$1,128,793
Contractual Services	$1,015,288	$886,121	$840,680	$903,110
Equipment	$5,725	$2,803	$17,000	$14,000
Department Specific Appropriation	$286,486	$269,999	$285,999	$285,999
Total	$5,294,918	$4,621,423	$4,803,691	$5,043,780

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$237,500	Virginia Port Authority - Aid to local ports	0

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $24,769 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Lifelong Learning

- **Provide funds for Cruise Ships water use FY 2017 $32,000 FTE: 0**

  Technical adjustment to support additional utility costs due to the increased utilization of water from the cruise ships.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Support contractual increase for custodial service FY 2017 $45,930 FTE: 0**

  Technical adjustment to provide additional funds for the contractual three percent increase for janitorial and custodial services.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Support increased utility costs for the Wisconsin FY 2017 $172,633 FTE: 0**

  Technical adjustment to provide additional funds for utility costs for air conditioning new areas opened on the battleship to permit additional overnights, corporate retreats, and rental events on the mess decks and galley areas of the U.S. Wisconsin.

  Priority Area(s) Met: Economic Vitality and Workforce Development

- **Adjust financial management software cost FY 2017 ($45,452) FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across financial transactions, tracks, and controls funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Lifelong Learning

- **Adjust time and attendance monitoring software costs FY 2017 ($983) FTE: 0**

  Remove a portion of funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping services. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Lifelong Learning

- **Reduce discretionary expenditures** **FY 2017 ($49,000)** **FTE: 0**

  Capture efficiency gains through analysis of costs for heating and natural gas, chemicals, travel, training, memberships, programs, reduction of cell phones, office supplies, food, educational supplies, and office and equipment repairs. No impact to services is anticipated as a result of this action.

Priority Area(s) Met: Economic Vitality and Workforce Development and Lifelong Learning

- **Adjust costs for Fleet expenditures** **FY 2017 ($186)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Economic Vitality and Workforce Development

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $23,916** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Economic Vitality and Workforce Development and Lifelong Learning

- **Adjust required contribution to the city's retirement system** **FY 2017 $25,322** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Economic Vitality and Workforce Development and Lifelong Learning

- **Update personnel expenditures** **FY 2017 $11,140** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

The National Maritime Center **Total: $240,089** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	1	0	1
Assistant Director	1 21	$79,375	$132,090	2	0	2
Business Manager	1 13	$46,885	$76,449	1	0	1
Carpenter II	1 09	$33,770	$55,060	1	0	1
Crew Leader I	1 08	$31,180	$50,847	1	0	1
Curator	1 12	$43,470	$70,890	1	0	1
Director of Maritime Center	1 24	$92,800	$159,120	1	0	1
Education Specialist	1 07	$28,815	$47,022	4	0	4
Electrician II	1 09	$33,770	$55,060	1	0	1
Electronics Technician I	1 08	$31,180	$50,847	1	0	1
Electronics Technician II	1 10	$36,605	$59,690	1	0	1
Grants & Development Coordinator	1 14	$51,000	$84,354	1	0	1
Maintenance Mechanic II	1 07	$28,815	$47,022	0.8	0	0.8
Management Analyst III	1 14	$51,000	$84,354	1	0	1
Manager of Visitor Marketing	1 14	$51,000	$84,354	1	0	1
Manager of Visitor Services	1 12	$43,470	$70,890	2	0	2
Operations Manager	1 14	$51,000	$84,354	1	0	1
Property Manager	1 15	$55,210	$90,270	1	0	1
Public Relations Specialist	1 12	$43,470	$70,890	1	0	1
Public Services Coordinator	1 11	$40,005	$65,280	0	1	1
Sales Representative	1 11	$40,005	$65,280	2	0	2
Senior Exhibits Manager / Designer	1 13	$46,885	$76,449	1	0	1
Support Technician	1 05	$24,685	$40,290	1	0	1
Visitor Services Assistant	1 05	$24,685	$40,290	4.5	0	4.5
Visitor Services Coordinator	1 08	$31,180	$50,847	2	0	2
Visitor Services Specialist	1 10	$36,605	$59,690	4	-1	3
Welder	1 10	$36,605	$59,690	1	0	1
Total				40.3	0	40.3

Recreation, Parks and Open Space

Mission Statement

The Department of Recreation, Parks and Open Space enriches the quality of life for residents by providing choices and opportunities for Norfolk residents to recreate, along with developing and operating a full spectrum of recreational services for youth, adults, and special populations, while ensuring the management and maintenance of the city's parks, playgrounds, beaches, urban forestry, and city-owned cemeteries.

Department Overview

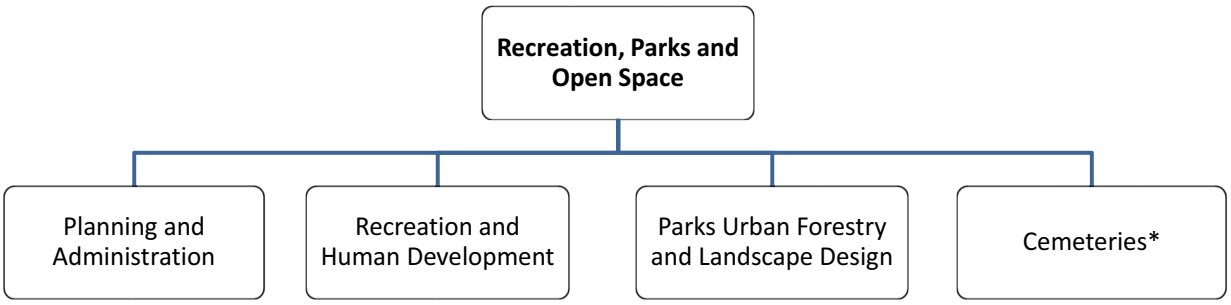
The Department of Recreation, Parks and Open Space consists of four bureaus:

The Bureau of Planning and Administration is comprised of two divisions: Business Services and Public Information. The bureau provides accounting, budgeting, communications and marketing, human resource and financial guidance, Norfolk Emerging Leader (NEL) and NEL Executive Internship programs, and payroll services.

The Bureau of Recreation and Human Development is comprised of three divisions: Aquatics and Water Activities, Athletics and Special Programs, and Recreation and Leisure Activities. The bureau operates the city's recreation centers and provides opportunities for instructional classes and citywide athletics to include aquatic instructional programs and open swimming, league and open play, senior activities, and therapeutic programs. The bureau also focuses on providing strategic direction, comprehensive recreational programs, and activities for the city's youth. This is accomplished by overseeing elementary, middle, and high school youth programming, such as before and after school programs and summer camps.

The Bureau of Parks and Urban Forestry and Landscape Design is comprised of three divisions: Urban Forestry, Open Space Planning and Development, and Park Maintenance. The bureau is responsible for management and maintenance of the urban forest consisting of street trees, trees on public property, and the tree production facility. The bureau provides grounds maintenance services for all parks, public buildings, roadway medians, public schools, athletic fields, and city parcels. Additionally, the bureau maintains and manages seven miles of public beaches and provides landscape architecture and development for city projects as well as review of private landscape projects.

The Bureau of Cemeteries works closely with the Bureau of Parks and Urban Forestry to operate and maintain the eight city-owned cemetery locations throughout the city. Cemeteries' activities are presented in its respective fund pages.



*Shown also in the Special Revenue Section

Actions to Achieve Long-Term Goals and Short-Term Objectives

The Department of Recreation, Parks and Open Space primarily supports the Priority Areas of Economic Vitality and Workforce Development; Safe, Healthy, and Inclusive Communities; and Lifelong Learning. Actions in place to achieve the long term goals of increasing accessibility to lifelong learning; enhancing the vitality and aesthetic beauty of Norfolk's neighborhoods, roadway medians, parks, public grounds and tree canopy; increasing regionally-based employment opportunities for Norfolk's residents; diversifying and strengthening Norfolk's economic base; and creating a culture that promotes health, engages in prevention, and supports economic and social well-being of individuals and families through the provision of an array of programs and services include:

Ongoing Actions	Status
Increase opportunities for residents to assume healthy lifestyles by providing a range of recreation programs and facilities	Ongoing
Increase knowledge of water safety amongst Norfolk's youth through the provision of water safety instructional programming	Ongoing
Effectively maintain and enhance park grounds/public property and infrastructure	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities

Goal

Enhance the vitality and aesthetic beauty of Norfolk's neighborhoods, roadway medians, parks, public grounds and tree canopy

Objective

Improve maintenance of public property and infrastructure

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Percent of city properties maintained on a 12-14 working days or less mowing cycle	87	64	85	85	0
Number of street tree pruning requests received (New measure in FY 2017)	0	0	0	1,700	1,700
Percent of residents rating park aesthetic quality (inclusive of signage, etc.) as either good or excellent (New measure in FY 2017)	0	0	0	80	80
Percent of city covered by tree canopy (New measure in FY 2017)	0	0	0	33	33
Acreage of parks improved in a given fiscal year (New measure in FY 2017)	0	0	0	2	2
Number of athletic facilities upgraded (New measure in FY 2017)	0	0	0	1	1
Percent of street tree pruning requests fulfilled	80	53	65	65	0

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Create a culture that promotes health, engages in prevention, and supports the economic and social well being of individuals and families through the provision of an array of programs and services					
Objective					
Increase access to activities and resources, such as recreation center programs and events that promote healthy lifestyles					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants for water safety instructional programs, including Schoolsplash, Summerplunge, etc. (New measure in FY 2017)	0	0	0	13,861	13,861
Number of participants in youth and adult sports (New measure in FY 2017)	0	0	0	6,500	6,500
Estimated health care costs savings attributable to participation in recreation programming and rec center visitation-Health Value Indicator (New measure in FY 2017)	0	0	0	1,515,750	1,515,750
Number of participants in recreation programming-by fiscal year (New measure in FY 2017)	0	0	0	74,520	74,520
Total attendance at indoor pools (yearly aggregate)	346	1,026	850	850	0
Total attendance in rec and community centers (yearly aggregate)	6,063	7,825	6,200	6,200	0

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Create a culture that promotes health, engages in prevention, and supports the economic and social well being of individuals and families through the provision of array of programs and services					
Objective					
Enhance resident teens' capacity to shape neighborhoods and communities by developing community projects, events and/or programs					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of attendees at Norfolk Youth Council projects and events	6	3	7	7	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Enhance accessibility to recreation programming and facilities (by, in part, utilizing school facilities)					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of population with access to recreational programming and facilities within a two-mile radius of their home (New measure in FY 2017)	0	0	0	85.7	85.7

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$14,383,448	$13,657,324	$14,331,524	$14,817,499
Materials, Supplies and Repairs	$1,642,040	$1,531,689	$1,350,200	$1,375,547
Contractual Services	$1,372,392	$1,613,607	$912,116	$1,143,499
Equipment	$141,217	$14,991	$36,068	$42,612
Department Specific Appropriation	$155,465	$1,046	$313,200	$0
Total	$17,694,562	$16,818,657	$16,943,108	$17,379,157

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$52,000	Donations to Recreation and Parks	0
		Kayak Launch Project	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $174,121 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

Priority Area(s) Met: Environmental Sustainability and Lifelong Learning and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Support boxing facility operations** **FY 2017 $178,444** **FTE: 3**

  Provide funds to support the new boxing center located at Harbor Park. The new facility, expected to open fall 2016, replaces the Barraud Park Boxing Center with a larger, state-of-the-art boxing facility offering expanded youth and adult programming.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Improve department efficiency** **FY 2017 ($143,697)** **FTE: -1**

  Capture efficiency gains from personnel due to rescheduling and realignment, adjustment of facility hours of operation based on utilization, and savings from contractual services. This action aligns the department's budget with anticipated expenditures.

  Priority Area(s) Met: Lifelong Learning and Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 ($22,411)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $129,636** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Environmental Sustainability and Lifelong Learning and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $109,718** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Update personnel expenditures** **FY 2017 $10,238** **FTE: 0.4**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the reclassification of a Health & Fitness Facilitator from permanent part-time to permanent full-time during FY 2016. These are routine actions which occur at the beginning of the budget cycle.

Recreation, Parks and Open Space **Total: $436,049** **FTE: 2.4**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Technician	1 07	$28,815	$47,022	2	-1	1
Applications Analyst	1 14	$51,000	$84,354	1	0	1
Architect I	1 13	$46,885	$76,449	1	0	1
Architect III	1 17	$63,000	$102,816	2	0	2
Architect IV	1 18	$67,350	$109,823	1	0	1
Assistant Director	1 21	$79,375	$132,090	1	0	1
Athletics Groundskeeper	1 07	$28,815	$47,022	3	0	3
Bureau Manager	1 18	$67,350	$109,823	3	0	3
City Forester	1 14	$51,000	$84,354	1	0	1
Director of Recreation, Parks, & Open Space	1 24	$92,800	$159,120	1	0	1
Division Head	1 16	$58,970	$96,145	5	0	5
Equipment Operator II	1 06	$26,900	$43,860	20	-1	19
Equipment Operator III	1 07	$28,815	$47,022	7	0	7
Equipment Operator IV	1 08	$31,180	$50,847	1	0	1
Facilities Manager	1 13	$46,885	$76,449	4	0	4
Financial Operations Manager	1 15	$55,210	$90,270	1	0	1
Fiscal Monitoring Specialist I	1 11	$40,005	$65,280	0	1	1
Forestry Crew Leader	1 09	$33,770	$55,060	6	0	6
Forestry Supervisor	1 13	$46,885	$76,449	1	0	1
Geographic Information Systems Technician II	1 11	$40,005	$65,280	1	0	1
Groundskeeper	1 04	$22,875	$37,301	17	-3	14
Groundskeeper Crew Leader	1 09	$33,770	$55,060	22	0	22
Health & Fitness Facilitator	1 10	$36,605	$59,690	0.6	0.4	1
Horticulture Technician	1 05	$24,685	$40,290	1	1	2
Horticulturist	1 12	$43,470	$70,890	1	0	1
Lifeguard	1 04	$22,875	$37,301	13	0	13
Maintenance Mechanic I	1 06	$26,900	$43,860	5	0	5
Maintenance Mechanic II	1 07	$28,815	$47,022	3	0	3
Maintenance Mechanic III	1 09	$33,770	$55,060	1	0	1
Maintenance Supervisor II	1 12	$43,470	$70,890	6	0	6
Management Analyst III	1 14	$51,000	$84,354	1	0	1
Messenger/Driver	1 02	$19,705	$32,135	1.9	0	1.9
Office Assistant	1 03	$21,222	$34,609	2.7	0	2.7
Office Manager	1 09	$33,770	$55,060	1	0	1
Park Ranger	1 07	$28,815	$47,022	0	3	3

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Project Manager	1 14	$51,000	$84,354	1	0	1
Recreation Specialist	1 09	$33,770	$55,060	30.9	2	32.9
Recreation Supervisor	1 11	$40,005	$65,280	20	0	20
Recreation Supervisor, Senior	1 13	$46,885	$76,449	8	0	8
Staff Technician II	1 09	$33,770	$55,060	2	0	2
Support Technician	1 05	$24,685	$40,290	1.9	0	1.9
Therapeutic Recreation Specialist	1 09	$33,770	$55,060	4.4	0	4.4
Tree Trimmer I	1 06	$26,900	$43,860	2	0	2
Tree Trimmer II	1 08	$31,180	$50,847	6	0	6
Total				214.3	2.4	216.7

Central and Outside Agency Appropriations

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CENTRAL APPROPRIATIONS

The City of Norfolk provides funds for programs and services not directly attributable to specific city departments through Central Appropriations. These funds are used for a variety of purposes, including supplemental compensation and benefit payments to employees and retirees, economic development initiatives, support for citywide strategic priority programs, sponsorship for local events, insurance premiums and claims, and operating contingencies. Central Appropriations also provides support to eight city-owned cemeteries and emergency management and communications.

Central Appropriations is divided into four categories:

Compensation and Benefits: Funds are designated for employee benefit payouts, unemployment compensation, worker's compensation claims, and costs related to staffing and organizational redesign.

General Administration: Funds are designated for citywide strategic priorities, such as the Housing Trust Fund and Poverty Commission; economic development initiatives for business retention and development; employee recognition events and parking; and sponsorships to support local events.

Risk Management: Funds are designated for the payment of insurance premiums and general liability, property, and automobile claims in addition to associated legal fees. Operating contingency funds are used to mitigate risk associated with unforeseen challenges which may occur during the fiscal year.

Transfers Out: Funds are used to support operations for Cemeteries and Emergency Preparedness and Response.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Compensation and Benefits					
Employee Compensation Increases					
Support for General Wage Increases (GWI) or one-time bonus payments. In FY 2017, funds for compensation increases are appropriated within departments	661,445	0[1]	0	0	0
Employer Sponsored Public Transportation Passes (GoPass)					
Employer paid Hampton Roads Transit (HRT) passes for city employees	134,939	0	0	0	0
Healthcare Savings					
One-time savings based on projected changes in employee enrollment and plan election	0	-153,364	-65,000	0	65,000
Health Improvement Program					
Support for health incentive programs, lifestyle coaching and benefits consultant. Costs are now supported by the Healthcare Fund.	113,486	0	0	0	0
Line of Duty Act					
Benefit for public safety personnel injured or killed in the line of duty	626,163	572,601	604,410	640,675	36,265

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Compensation and Benefits					
Retiree Benefit Reserve Death benefit to eligible retirees	35,000	45,000	45,000	45,000	0
Retiree Healthcare City supplement to monthly healthcare premiums paid by participating retirees.	151,945	108,795	126,800	126,800	0
Retiree Supplement Funds for one-time supplement in FY 2017 for retirees who meet specific service time and income requirements	0	236,100	365,000	0	-365,000
Staffing and Organizational Redesign Initiative Expenses related to strategic reorganization, retirement incentive payouts and personnel actions.	51,843	40,088	500,000	500,000	0
Unemployment Compensation Unemployment insurance claim payments	235,364	233,283	220,000	220,000	0
Virginia Worker's Compensation Claim payments, related third-party administration, and state taxes	4,720,416	4,649,655	4,550,000	4,823,000	273,000
Subtotal	**6,730,601**	**5,732,158**	**6,346,210**	**6,355,475**	**9,265**

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
General Administration					
Advisory Services Urban design consulting	300,000	400,000	300,000	300,000	0
Boards and Commission Expenses Expenditures associated with Norfolk Boards and Commissions	0	17,950	28,445	28,445	0
Development Initiatives Support for business retention, feasibility analysis, and development initiatives. In FY 2017, increase in funds based on proposed five cent increase of the cigarette tax.	0	473,000	445,000	878,000	433,000
Employee Recognition Incentive Support for employee recognition events	73,094	74,993	75,000	75,000	0
HUD Obligation[2] Moved from Outside Agencies	0	0	439,918	300,000	-139,918
Inventory Management Transition contingency for the decentralization of the Storehouse in FY 2014	45,345	0	0	0	0
GPS Fleet Tracking System Support GPS tracking system for Fleet Maintenance	0	0	150,000	70,000	-80,000
Housing Trust Fund[3] Funds to support the Housing Trust Fund initiatives	0	0	1,000,000	0	-1,000,000

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
General Administration					
Lifelong Learning Initiative Funds to support Norfolk Ready by Five Initiative	0	0	50,000	0	-50,000
Municipal Parking - Long Term City Parking Support for city employee parking costs	1,157,354	1,149,038	1,149,038	1,149,038	0
Municipal Parking - Development Parking incentives	256,150	319,100	319,100	319,100	0
Poverty Commission[4] Support for Poverty Commission Initiatives	0	0	500,000	0	-500,000
Smart Processing Support for the Smart Processing Initiative	353,636	250,000	250,000	250,000	0
Special Programs and Sponsorships Support for local events	120,375	197,829	200,000	200,000	0
Undesignated Balance Undesignated Funds	0	0	0	500,000	500,000
Subtotal	**2,305,954**	**2,881,910**	**4,906,501**	**4,069,583**	**-836,918**

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Risk Management and Reserves					
Claim Payments and Insurance General liability, property and automobile insurance, and associated legal fees	6,404,297	3,567,602	3,881,600	3,881,600	0
Legal Settlement Associated costs related to legal settlement.	1,200,000	0[5]	0	0	0
Operating Contingency Contingency funds for unforeseen challenges that may occur during the fiscal year	877,697	165,930	1,950,000	1,950,000	0
Subtotal	**8,481,994**	**3,733,532**	**5,831,600**	**5,831,600**	**0**
Transfers Out					
Cemeteries Support[6] General support for operations	206,530	415,153	498,017	439,088	-58,929
Emergency Preparedness Support[6] General support for operations	783,950	928,473	1,004,005	1,004,005	0
Golf Fund Support General support for operations	494,850	309,048	0	0	0
Nauticus Support for Sail Program Three-year commitment for sailing program for disadvantaged youth	125,000	0	0	0	0

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Transfers Out					
Norfolk Community Services Board (NCSB)					
General operating support. NCSB was moved to the General Fund in FY 2015 and no longer receive funds from Central Appropriations	5,695,195	0[7]	0	0	0
One-time assistance to support required Norfolk Employer's Retirement System contribution	2,844,195	0	0	0	0
Match funds for Drug Court Grant and General Fund support for Co-Occurring Court. Funds are now included in the NCSB General Fund Budget	276,200	0[7]	0	0	0
Subtotal	**10,425,920**	**1,652,674**	**1,502,022**	**1,443,093**	**-58,929**
Central Appropriations Total	**27,944,469**	**14,000,274**	**18,586,333**	**17,699,751**	**-886,582**

[1]Beginning in FY 2015 all funds for compensation increases were appropriated within departments.

[2]HUD obligation moved to Central Appropriations due to reclassification from Outside Agencies in FY 2016. A corresponding note is included in Outside Agencies.

[3]In FY 2016, an additional $400,000 was appropriated for the Housing Trust Fund via a budget amendment.

[4]In FY 2016, an additional $500,000 was appropriated for Poverty Commission Initiatives via a budget amendment.

[5]Legal claims payment of $1.2 million was incurred in FY 2014 after the FY 2015 budget was approved. No costs were incurred in FY 2015.

[6]In FY 2014 available fund balance used to support operations for Cemeteries, Cruise Ship Terminal and Emergency Preparedness and Response.

[7]NCSB was moved from Special Revenue Funds to the General Fund in FY 2015. City support for NCSB is now reflected within the NCSB General Fund budget.

OUTSIDE AGENCIES

The City of Norfolk recognizes partnerships with outside organizations and agencies as vital to optimally support citywide priorities. These agencies provide services, programming and events the city cannot provide alone. The city partners directly with outside agencies through funding for operational support or in support of a new initiative. Having a wider range of cultural and entertainment amenities contributes to the economic health of the city and augments its attractiveness as a potential locale for business relocation.

NORFOLK CONSORTIUM

Arts and culture are integral to community attachment and satisfaction in the City of Norfolk. Arts and culture organizations help identify the underlying character, the unique meaning, and value of the city. The city's intrinsic nature is ever changing and evolving to meet the needs of the community. To preserve and enhance this local identity and uniqueness, the Norfolk Consortium was created in FY 2012. Through the Consortium, the city's large event organizations encourage collaborative service delivery, revenue growth, reduce duplication, and co-sponsor large scale events. The Consortium's contribution is invaluable to the city's economic vitality, quality of life and sense of place. These member organizations define the City of Norfolk as the cultural center of the Hampton Roads region.

Consortium members include: Arts and Entertainment, Chrysler Museum, Cultural Facilities, MacArthur Memorial, Norfolk Botanical Garden, Norfolk Commission on the Arts and Humanities, Norfolk Convention and Visitor's Bureau (Visit Norfolk), Norfolk Festevents, Norfolk NATO Festival, The National Maritime Center (Nauticus), Virginia Arts Festival, Virginia Opera, Virginia Stage Company, and Virginia Zoo.

Through a strategic and holistic approach, sponsored activities result in increased revenues and a leveraging of non-city resources. Financial support in FY 2017 is provided through General Fund sources:

Norfolk Consortium Financial Support	
Source	**FY 2017 Proposed**
General Fund Member Support[1]	$9,191,185
Norfolk Consortium Bed Tax[2]	$963,850
Public Amenities	$2,000,000
Flat Bed Tax dedicated to Visit Norfolk[2]	$963,850
Total	**$13,118,885**

[1]Does not include General Fund support for city departments: The National Maritime Center (Nauticus), MacArthur Memorial, Virginia Zoo, and Cultural Facilities, Arts and Entertainment.

[2]Actual amounts distributed from bed tax may vary depending on actual revenue collected.

Norfolk Consortium Member Funding

Consortium Member Support (does not include city departments)		
Member	**FY 2016**	**FY 2017 Proposed**
Chrysler Museum of Art	$2,847,832	$2,917,832
Norfolk Botanical Gardens	$1,186,659	$1,226,659
Norfolk Commission on the Arts and Humanities[1]	$248,338	$248,338
Norfolk Convention and Visitor's Bureau (Visit Norfolk)[2]	$4,517,118	$4,780,968
Norfolk Festevents[3]	$1,629,551	$1,809,551
Norfolk NATO Festival	$139,226	$179,226
Virginia Arts Festival	$810,961	$960,961
Virginia Opera	$249,500	$309,500
Virginia Stage Company	$225,000	$285,000
Virginia Symphony	$237,000	$297,000
Citywide Marketing (Communications and Technology)	$0	$103,850
TOTAL	**$12,091,185**	**$13,118,885**

[1]Funding for Arts and Humanities in FY 2016 totaled $959,838. This amount included $249,500 for Virginia Opera, $225,000 for Virginia Stage Company, and $237,000 for Virginia Symphony. These amounts are now shown in the respective organizations. Funds for the Arts and Humanities have not been reduced in FY 2017.

[2]For consistency purposes, the FY 2016 amounts for Visit Norfolk have been modified from previous budget documents to reflect General Fund support and the initial $1 flat bed tax. Similar to the other agencies listed in the table, these amounts for Visit Norfolk no longer illustrate the grant amount provided by the Norfolk Consortium in those years. FY 2017 includes the redistribution of Norfolk Consortium funds across all Consortium Members.

[3]Does not include $65,000 transferred to Festevents for Fountain Park programming.

Outside Agency Funding

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Grant Providers on Behalf of City					
Norfolk Commission on the Arts and Humanities Pass through grants to arts agencies; housed in Cultural Facilities, Arts and Entertainment. Prior to FY 2017, funds for Virginia Opera, Virginia Stage Company, and Virginia Symphony Orchestra were funded through the Commission. In FY 2017, these organizations will receive the same funds directly	959,838	959,838	959,838	248,338	-711,500
Norfolk Department of Human Services Grants Pass through grants to local social services agencies; managed by Department of Human Services	520,300	682,646	687,177	662,177	-25,000
SUBTOTAL	**1,480,138**	**1,642,484**	**1,647,015**	**910,515**	**-736,500**
Funds to Community Partners					
Crispus Attucks Cultural Center One-time funds for general operating support	150,000	0	0	0	0
Downtown Norfolk Council General operating support	60,000	60,000	60,000	60,000	0
Eastern Virginia Medical School General operating support	709,348	709,348	709,348	709,348	0

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Funds to Community Partners					
Friends of Fred Huette General operating support	17,500	17,500	17,500	17,500	0
Garden of Hope (Second Chances) General operating support	435,000	435,000	435,000	435,000	0
Healthy Neighborhood Enterprises (formerly Hampton Roads Community Development Corporation) General operating support. FY 2016 completed the city's commitment	100,000[1]	100,000	200,000	0	-200,000
Home Rehabilitation Initiative Managed by the Communications and Technology Department. Includes agencies such as World Changers and the Tidewater Builders Association	100,000	0	0	0	0
Legal Aid Society of Eastern Virginia General operating support	8,364	8,364	8,364	8,364	0
The Literacy Partnership General operating support	50,000	50,000	50,000	50,000	0

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Funds to Community Partners					
Norfolk Criminal Justice Services Funds to supplement state grant; FY 2015 includes support for retirement, rent, and operating costs	179,315	158,932	158,932	158,932	0
Norfolk Sister City Association General operating support	50,000	50,000	50,000	50,000	0
Southeastern Tidewater Opportunity Project (STOP) General operating support	12,900	0	0	0	0
St. Mary's Home for the Disabled General operating support	20,000	20,000	20,000	20,000	0
Square One General operating support	37,336	37,336	37,336	37,336	0
SUBTOTAL	**1,929,763**	**1,646,480**	**1,746,480**	**1,546,480**	**-200,000**
Public-Private Partnerships for City-Owned Facilities					
Chrysler Museum General operating support for the facility; FY 2017 includes a redistribution of Norfolk Consortium funds	2,847,832	2,847,832	2,847,832	2,917,832	70,000

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Public-Private Partnerships for City-Owned Facilities					
Norfolk Botanical Gardens General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	1,186,659	1,186,659	1,186,659	1,226,659	40,000
Virginia Zoo Society					
General operating support	325,000	325,000	325,000	325,000	0
Incentive Agreement - provides 50 percent of gate receipts in excess of $1.5 million in FY 2017	319,154	252,191	369,140	465,579	96,439
SUBTOTAL	**4,678,645**	**4,611,682**	**4,728,631**	**4,935,070**	**206,439**
Public-Private Partnerships for Tourism and Special Event Organizations					
Caribfest General operating support	50,000	50,000	50,000	50,000	0
Citywide Marketing Efforts	0	0	0	103,850	103,850
Hampton Roads Sports Commission General operating support	0	0	0	36,000	36,000
Junior Olympics Three-year commitment to support Junior Olympics	0	0	0	35,300	35,300

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Public-Private Partnerships for Tourism and Special Event Organizations					
Norfolk Consortium Revenue from $1 increase in bed tax beginning in FY 2012; FY 2017 funds redistributed to Consortium members	824,164	798,002	900,000	0	-900,000
Norfolk Convention and Visitors Bureau (Visit Norfolk)					
General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	3,617,118	3,617,118	3,617,118	3,817,118	200,000
Revenue from $1 flat bed tax	965,649	961,369	900,000	963,850	63,850
Norfolk Convention and Visitors Bureau Subtotal	**4,582,767**	**4,578,487**	**4,517,118**	**4,780,968**	**263,850**
Norfolk Festevents					
General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	1,623,363	1,623,363	1,558,363	1,738,363	180,000
Jazz Festival	71,188	71,188	71,188	71,188	0
Norfolk Festevents Subtotal	**1,694,551**	**1,694,551**	**1,629,551**	**1,809,551**	**180,000**
Norfolk NATO Festival General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	139,226	139,226	139,226	179,226	40,000
Virginia Arts Festival					
General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	645,523	645,523	645,523	795,523	150,000
Special funding for Virginia Tattoo and Dance Series	165,438	165,438	165,438	165,438	0
Virginia Arts Festival Subtotal	**810,961**	**810,961**	**810,961**	**960,961**	**150,000**

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Public-Private Partnerships for Tourism and Special Event Organizations					
Virginia Opera General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	0	0	0	309,500	309,500
Virginia Stage Company General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	0	0	0	285,000	285,000
Virginia Symphony General operating support; FY 2017 includes a redistribution of Norfolk Consortium funds	0	0	0	297,000	297,000
SUBTOTAL	**8,101,669**	**8,071,227**	**8,046,856**	**8,847,356**	**800,500**
Public Partnerships to Provide Services					
Hampton Roads Transit (HRT)					
Light rail transit (LRT) service	5,210,643	5,246,600	5,977,325	6,060,934	83,609
Advance capital	579,758	582,064	600,697	562,647	-38,050
Commission expense	192,164	166,612	177,932	158,311	-19,621
Ferry service	185,887	191,750	120,309	240,783	120,474
Paratransit	1,412,489	1,497,474	1,644,600	1,886,498	241,898

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Public Partnerships to Provide Services					
Regular bus service	10,414,255	10,421,446	10,184,813	10,304,426	119,613
Vanpool profit	-42,850	-46,627	0	0	0
Capital match for bus replacement	0	0	0	192,951	192,951
Prior year reconciliation	119,227	132,233	0	0	0
HRT Subtotal	**18,071,573**	**18,191,552**	**18,705,676**	**19,406,550**	**700,874**
Norfolk Redevelopment and Housing Authority					
Administrative support	1,000,000	750,000	1,000,000	1,300,000[2]	300,000
Legal Expense	0	250,000	0	0	0
Rental of space - 201 Granby Street	70,000	89,945	89,945	0	-89,945
Rental of Monroe Building for the Virginia Stage Company	57,118	90,979	101,617	104,158	2,541
HUD Obligation[3] (moved to Central Appropriations in FY 2016)	0	139,918	0	0	0
Waterside Maintenance Operations	813,355	0	0	0	0
General operating support					
SUBTOTAL	**20,012,046**	**19,512,394**	**19,897,238**	**20,810,708**	**913,470**

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Contractual Obligations					
Economic Development Incentive Grants					
Economic Development Incentive Grants	1,412,309	1,428,033	1,007,609	77,000	-930,609
NRHA Economic Incentive Grants	1,281,893	1,352,717	1,516,075	1,718,593	202,518
Housing First Program	140,000	140,000	140,000	140,000	0
Contract to provide homeless support					
Tidewater Community College	6,000	6,000	6,000	6,000	0
General operating support					
Tourism Infrastructure Repairs	749,997	450,000	800,000	892,000	92,000
Supports improvements to cultural facilities					
Waterside Marriott Convention Center Subsidy	195,000	195,000	195,000	195,000	0
Maintenance subsidy agreement with the Marriott Hotel's management company					
SUBTOTAL	**3,785,199**	**3,571,750**	**3,664,684**	**3,028,593**	**-636,091**

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Memberships and Dues					
Hampton Roads Chamber of Commerce Event sponsorship	12,000	12,000	12,000	12,000	0
Hampton Roads Economic Development Alliance Membership dues based on per capita expense.	230,497	116,747	233,494	232,819	-675
Hampton Roads Military & Federal Facilities Alliance Membership dues based on per capita expense.	121,402	121,402	121,402	123,197	1,795
Hampton Roads Partnership Membership dues	15,210	0	0	0	0
Hampton Roads Planning District Commission Membership dues based on per capita expense (includes funds for Metropolitan Medical Response System).	243,985	245,803	246,392	246,394	2
Virginia First Cities Membership dues based on pro-rata population fee schedule.	43,230	43,230	43,230	43,230	0
Virginia Municipal League Membership dues based on annual population estimate.	56,614	56,720	56,721	58,003	1,282
SUBTOTAL	**722,938**	**595,902**	**713,239**	**715,643**	**2,404**

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Other Arrangements					
Downtown Improvement District (DID) Pass Through Revenue Revenue from special district real estate tax collections used for DID activities.	1,586,324	1,751,393	1,736,156	1,762,500	26,344
Downtown Improvement District (DID) Public and Performing Arts Group[4] Revenue from special district real estate tax collections used for DID activities.	28,836	618,000[5]	115,744	117,500	1,756
SUBTOTAL	**1,615,160**	**2,369,393**	**1,851,900**	**1,880,000**	**28,100**
TOTAL	**42,325,558**	**42,021,312**	**42,296,043**	**42,674,365**	**378,322**

[1]Three year commitment from FY 2015 - FY 2017. FY 2014 funds were not used and were carried forward to FY 2015.

[2]In FY 2017, $300,000 increase for administrative support previously funded through the Capital Improvement Plan.

[3]HUD obligation moved to Central Appropriations due to reclassification from Outside Agencies in FY 2016. A corresponding note is included in Central Appropriations.

[4]Beginning in FY 2017, one cent from the DID special district real estate tax collections is dedicated to Granby Street lights.

[5]Includes $505,622 in prior year funds from FY 2010 - FY 2014 to support street lighting.

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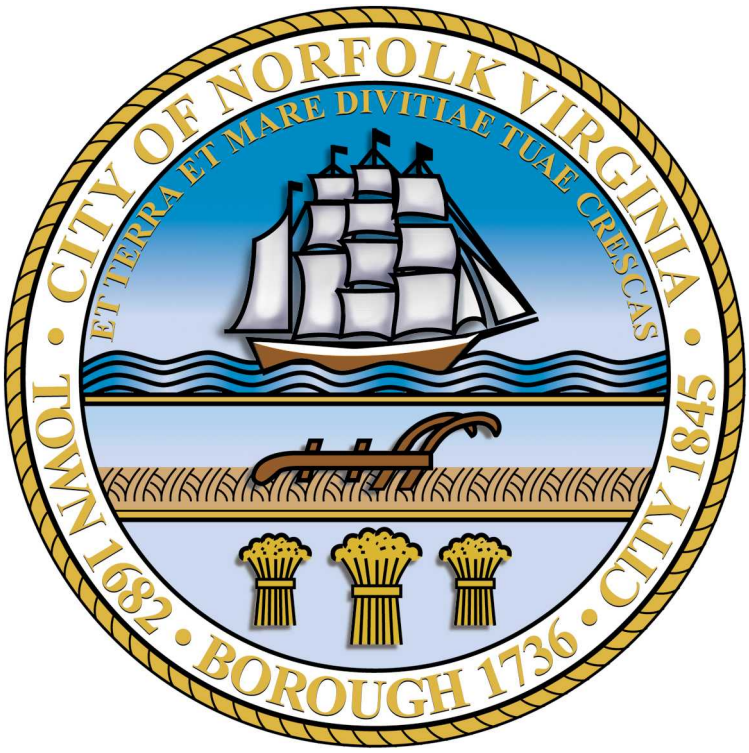
Public Health and Assistance



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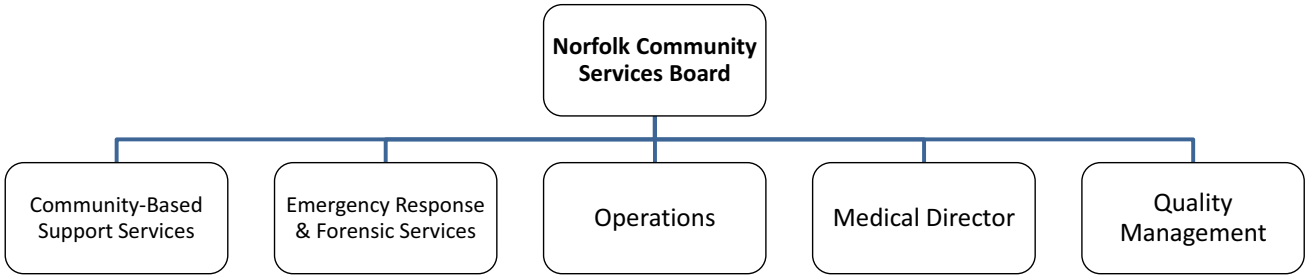
Norfolk Community Services Board

Mission Statement

To provide the residents of Norfolk who experience behavioral health and developmental disabilities with quality services that instill hope and recovery.

Department Overview

Founded in 1969, the Norfolk Community Services Board (NCSB) is the primary provider of public mental health, substance abuse, and intellectual disabilities services for the most vulnerable persons needing those services in the City of Norfolk. NCSB serves over 6,000 infants, children, and adults annually. The NCSB became a city department in July 2012. Services are designed to meet the most pressing needs not available in the private sector. Primary goals of service delivery not only provide clinical intervention, but work with consumers to ensure they have assistance in addressing healthcare, housing, income, and purpose. NCSB services are focused on persons experiencing the following that without either acute intervention, long term, or intensive community support would have historically been institutionalized or faced disabling consequences: serious mental illness, serious emotional disturbances, substance abuse addictions, intellectual disabilities, and developmental disorders. These services are provided across seven NCSB service locations, as well as in state hospitals, local hospitals, housing programs, homeless shelters, private homes, group living settings, jails, courts, and schools.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Norfolk Community Services Board (NCSB) supports the Priority Areas of Lifelong Learning and Safe, Healthy, and Inclusive Communities. Actions undertaken to assist in the creation of a culture that promotes health, engages in prevention, and supports the economic and social well-being of individuals and families include:

Ongoing Actions	Status
Provide programming to increase developmentally delayed preschoolers' learning readiness	Ongoing
Provide a variety of mental health services to improve client outcomes	Ongoing
Provide a variety of substance abuse services to improve client outcomes	Ongoing
Provide a variety of housing stabilization services to improve client outcomes	Ongoing
Provide a variety of crisis stabilization services to improve client outcomes	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Create a culture that promotes health, engages in prevention, and supports the economic and social well-being of individuals and families through the provision of an array of programs and services					
Objective					
Provide a range of mental health, substance abuse, and housing and crisis stabilization services to improve client outcomes					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of Mental Health/Co-Occurring Court/Jail Diversion participants without new criminal justice involvement while in the program (New measure in FY 2017)	0	0	0	85	85
Percent of individuals enrolled in SACM greater than 90 days having negative drug screens (New measure in FY 2017)	0	0	0	80	80
Percent of PTSD/Trauma program participants experiencing a decrease in depressive symptoms (New measure in FY 2017)	0	0	0	60	60
Percent of individuals served through the Intellectual Disability Residential Services (ID RS) program participating in at least one community integration activity weekly (New measure in FY 2017)	0	0	0	95	95
Percent of individuals detained who are admitted to a community hospital or stabilization unit within 8 hours (New measure in FY 2017)	0	0	0	70	70
Percent of dispatched CIT-involved calls to NPD resolved without arrest or legal charges (New measure in FY 2017)	0	0	0	70	70
Percent of Community Integration consumers who do not require re-hospitalization during time of enrollment in the program (New measure in FY 2017)	0	0	0	85	85
Percent of individuals enrolled in Medication Assisted Treatment Program (MAT) participating in treatment for more than one year who have no illicit opiate use (New measure in FY 2017)	0	0	0	80	80
Percent of youth enrolled in Child and Adolescent Services (CAS) programming for 90 days or more reporting positive gain from treatment (New measure in FY 2017)	0	0	0	80	80

Priority: Safe, Healthy, and Inclusive Communities					
Percent of individuals enrolled in Intensive Care Coordination (ICC) who successfully transition out of residential programs into the community (New measure in FY 2017)	0	0	0	95	95
Percent of Shelter Plus Care tenants maintaining permanent housing for at least 1 year from program entry date (New measure in FY 2017)	0	0	0	80	80

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase preschoolers' learning readiness					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of children with a planned transition from the Infant and Toddler Connection of Norfolk program not requiring preschool special education services from NPS	51	45	45	45	0

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Use of Money and Property	$0	$49	$0	$0
Charges for Services	$5,368,657	$5,377,300	$5,411,500	$5,575,000
Miscellaneous Revenue	$47,220	$11,758	$2,800	$4,300
Recovered Costs	$237,359	$33,113	$0	$0
Categorical Aid - Virginia	$11,094,524	$11,090,968	$10,948,807	$11,046,269
Carryforward	$600,801	$3,050,996	$863,531	$1,552,666
Local Match	$5,971,395	$3,156,385	$5,133,612	$5,083,229
Federal Aid	$2,955,026	$2,941,380	$2,983,440	$2,759,170
Total	$26,334,981	$25,661,949	$25,343,690	$26,020,634

Actual amounts represent collections, not appropriation authority.
In FY 2015, NCSB transitioned from a Special Revenue fund to a General Fund department. Since the transition, the local match is now implicit, and reflected in the department's General Fund appropriation.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$17,324,984	$16,873,954	$17,938,478	$18,507,545
Materials, Supplies and Repairs	$1,015,370	$896,020	$1,056,395	$1,059,733
Contractual Services	$6,831,115	$5,666,178	$5,386,986	$5,443,757
Equipment	$2,213	$1,068	$41,000	$41,000
Public Assistance	$554,841	$652,167	$738,712	$786,480
Department Specific Appropriation	$31,217	$138,320	$182,119	$182,119
Total	$25,759,740	$24,227,708	$25,343,690	$26,020,634

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$1,973,068	SAMSHA CABHI Grant	19.5
		VDBHDS - Assertive Community Treatment Team - PACT	
		VDBHDS Crisis Intervention Team Funding	
		VDBHDS Housing and Supportive Services	
		VDBHDS Supportive Housing	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $140,858 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust funds for lease payments FY 2017 $55,492 FTE: 0**

  Technical adjustment to provide funds due to a contractual increase at four NCSB facilities: Virginia Beach Boulevard, Olney Road, Monticello Avenue, and Tidewater Drive. The cumulative cost of rent at these facilities is increasing from $1,361,351 to $1,416,843 in FY 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Provide funds for IT services** **FY 2017 $258,921** **FTE: 0**

  Technical adjustment to provide funds for contractual costs related to the Norfolk Community Services Board's electronic health records, and to cover the cost of internal information and technology services.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update contract expenditures** **FY 2017 ($207,874)** **FTE: 0**

  Technical adjustment to reduce funding for contractual services. The department previously held contracts related to custodial and landscaping services. These two contracts expired during FY 2016 and were replaced at a lower cost.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 $1,338** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $147,615** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $230,415** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $50,179** **FTE: -1**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the deletion of a Data Processing Assistant III. These are routine actions which occur at the beginning of the budget cycle.

Norfolk Community Services Board **Total: $676,944** **FTE: -1**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	1	0	1
Accountant II	1 12	$43,470	$70,890	1	0	1
Accountant IV	1 14	$51,000	$84,354	1	0	1
Accounting Supervisor	1 14	$51,000	$84,354	1	0	1
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Analyst	1 13	$46,885	$76,449	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	1	1.5	2.5
Administrative Assistant II	1 10	$36,605	$59,690	6	0	6
Administrative Technician	1 07	$28,815	$47,022	4	0	4
Assistant Director	1 21	$79,375	$132,090	1	0	1
Bureau Manager	1 18	$67,350	$109,823	1	0	1
Case Manager II	1 09	$33,770	$55,060	10	3	13
Case Manager III	1 11	$40,005	$65,280	50.5	1	51.5
Case Manager IV	1 12	$43,470	$70,890	13	0	13
Chief Medical Officer	1 29	*	*	1	0	1
Chief of Nursing	1 16	$58,970	$96,145	1	0	1
Clinical Coordinator	1 14	$51,000	$84,354	2	-1	1
Clinical Supervisor	1 15	$55,210	$90,270	2	0	2
Clinician	1 13	$46,885	$76,449	13.6	0	13.6
Compliance Specialist	1 09	$33,770	$55,060	1	0	1
Consumer Relations Specialist	1 13	$46,885	$76,449	2	0	2
Contract Monitoring Specialist	1 11	$40,005	$65,280	1	0	1
Counselor II	1 09	$33,770	$55,060	1	-1	0
Counselor III	1 11	$40,005	$65,280	15	0	15
Counselor IV	1 12	$43,470	$70,890	1	0	1
Customer Service Representative	1 05	$24,685	$40,290	1	0	1
Data Processing Assistant II	1 04	$22,875	$37,301	3	-1	2
Data Processing Assistant III	1 05	$24,685	$37,301	1	-1	0
Data Quality Control Analyst	1 07	$28,815	$47,022	2	0	2
Direct Support Professional I	1 05	$24,685	$40,290	10.1	0	10.1
Direct Support Professional II	1 06	$26,900	$43,860	10	0	10
Division Head	1 16	$58,970	$96,145	2	0	2
Early Childhood Special Educator	1 14	$51,000	$84,354	2	0	2
Emergency Services Counselor	1 12	$43,470	$70,890	16.4	-1	15.4
Executive Director	1 24	$92,800	$159,120	1	0	1
Facilities Manager	1 13	$46,885	$76,449	1	0	1
Human Services Aide	1 05	$24,685	$40,290	4	0	4
Information Technology Planner	1 14	$51,000	$84,354	1	0	1
Information Technology Specialist	1 09	$33,770	$55,060	1	0	1
Licensed Practical Nurse	1 10	$36,605	$59,690	14	0	14
Maintenance Mechanic I	1 06	$26,900	$43,860	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Management Analyst I	1 11	$40,005	$65,280	4	0	4
Management Analyst II	1 13	$46,885	$76,449	2	0	2
Medical Records Administrator	1 11	$40,005	$65,280	1	0	1
Mental Health Professional	1 11	$40,005	$65,280	4	0	4
Nurse Coordinator - Supervisor	1 13	$46,885	$76,449	3	1	4
Nurse Practitioner	1 20	$76,000	$123,930	1	0	1
Operations Controller	1 16	$58,970	$96,145	1	0	1
Peer Counselor I	1 08	$31,180	$50,847	3	-2	1
Peer Counselor II	1 09	$33,770	$55,060	2	0	2
Pharmacist	1 29	*	*	1	0	1
Practice Manager	1 13	$46,885	$76,449	2	0	2
Program Administrator	1 13	$46,885	$76,449	14	-2	12
Program Supervisor	1 13	$46,885	$76,449	4	-1	3
Programmer/Analyst III	1 13	$46,885	$76,449	1	0	1
Programs Manager	1 15	$55,210	$90,270	6	0	6
Psychiatrist	1 29	*	*	5.1	0	5.1
Records & Information Clerk	1 04	$22,875	$37,301	2	0	2
Registered Nurse	1 12	$43,470	$70,890	6.2	1	7.2
Reimbursement Specialist	1 09	$33,770	$55,060	1	0	1
Reimbursement Supervisor	1 14	$51,000	$84,354	1	0	1
Reimbursement Technician	1 06	$26,900	$43,860	3	1	4
Staff Technician I	1 08	$31,180	$50,847	1	0	1
Support Technician	1 05	$24,685	$40,290	13	0.5	13.5
Total				284.9	-1	283.9

*No salary range per compensation plan.

Office to End Homelessness

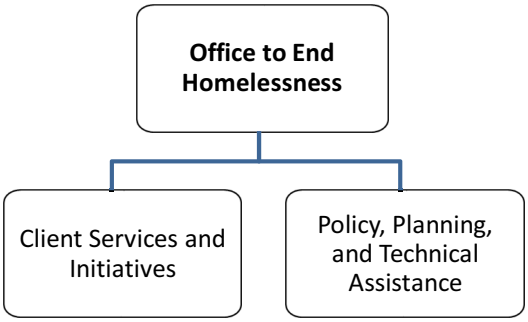
Mission Statement

The mission of the Office to End Homelessness (OTEH) is to prevent and end homelessness in the City of Norfolk by establishing and promoting sustainable and effective policies, programs, services, and housing that will have a positive impact now and for future generations.

Department Overview

The Office to End Homelessness is responsible for the provision of policy and direction within the City of Norfolk, and in partnership with community partners and stakeholders, to support an effective system that works to end and prevent homelessness. OTEH also assists in providing oversight for services and activities which fill a gap that cannot be met by other city departments or within the community.

The office coordinates and supports activities that ensure access to federal and state funding sources to assist in ending homelessness. OTEH also works to ensure the development of city policies to end homelessness. Additionally, the department provides technical assistance and training in order to help ensure effective programs, services, and housing. Direct implementation of programs and services that assist in ending homelessness, including city initiatives and regional partnerships, ensure that an effective array of programs, services, and housing is available in the community.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Office to End Homelessness primarily supports the city-wide Priority Area of Safe, Healthy, and Inclusive Communities through its work to create effective strategies to implement the city's Blueprint to End Homelessness. Actions in place to serve those residents confronted by the loss of their personal residence include:

Ongoing Actions	Status
Develop focused activities and events that provide those persons dealing with the impact of homelessness with direct access to the goods, services, and programs needed to lead productive lives	Ongoing
Provide Tenant-Based Rental Assistance funding to assist homeless individuals with stabilizing their housing	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Create a culture that promotes health, engages in prevention, and supports the economics and social well being of individuals and families through the provision of an array of programs and services					
Objective					
Strengthen the network of resources, programs, and services that supports the economic and social well being of individuals and families					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of homeless service plans developed (New measure in FY 2017)	0	0	0	250	250
Number of households receiving Tenant-Based Rental Assistance (TBRA) funds (New measure in FY 2017)	0	0	0	45	45
Percent of individuals developing homeless service plans who secure transitional or permanent housing, on average, in less than 90 days (New measure in FY 2017)	0	0	0	85	85
Percent of Tenant-Based Rental Assistance (TBRA) household participants remaining housed for a minimum of two months after graduating from the program (New measure in FY 2017)	0	0	0	90	90
Percent of Project Homeless Connect participants indicating that the benefit of the event would, likely, extend beyond the day itself-as a result of securing access to services, etc. (New measure in FY 2017)	0	0	0	80	80
Number of homeless individuals attending Project Homeless Connect (New measure in FY 2017)	0	0	0	400	400

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$223,630	$229,485	$248,755	$250,596
Materials, Supplies and Repairs	$9,681	$2,760	$18,923	$17,923
Contractual Services	$5,476	$4,950	$7,933	$7,933
Equipment	$2,116	$2,034	$5,200	$5,200
Public Assistance	$12,316	$8,817	$0	$0
Department Specific Appropriation	$6,380	$4,560	$6,687	$5,299
Total	$259,599	$252,607	$287,498	$286,951

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$98,874	HUD - HOMES Tenant-Based Rental Assistance Program	1
		Office to End Homelessness Street Outreach	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $1,944 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Reduce discretionary expenditures FY 2017 ($2,388) FTE: 0**

  Reduce nonpersonnel expenditures such as office supplies. This action does not impact service quality or delivery.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $2,076 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system FY 2017 $966 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 ($3,145)** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Office to End Homelessness **Total: ($547)** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Case Manager I	1 07	$28,815	$47,022	0	1	1
Direct Support Professional II	1 06	$26,900	$43,860	1	-1	0
Director of the Office to End Homelessness	1 20	$76,000	$123,930	1	0	1
Program Administrator	1 13	$46,885	$76,449	1	0	1
Total				3	0	3

Public Health

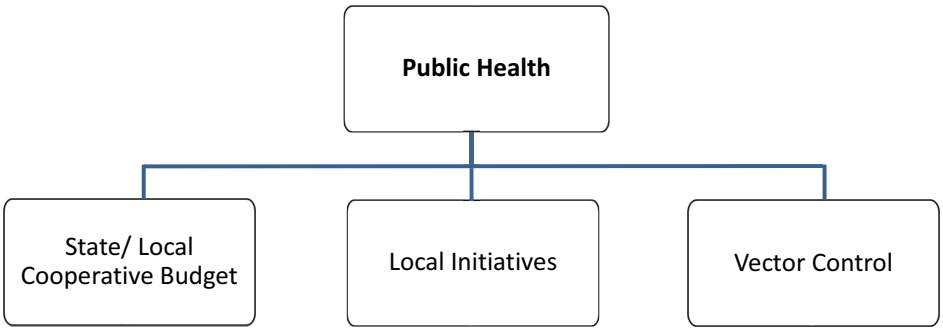
Mission Statement

The Norfolk Department of Public Health is dedicated to promoting and protecting the health of Norfolk residents.

Department Overview

The Norfolk Department of Public Health (NDPH) provides a wide range of services to improve and protect the community's health. NDPH serves as a leader and coordinator of Norfolk's public health system. In conjunction with the state and federal governments, and partners in the private sector, NDPH plays a fundamental role in protecting and promoting the health of Norfolk's residents.

This is achieved through the following service areas funded by local and state allocations: communicable disease prevention and control; health assessment, promotion, and education; environmental health hazards protection; child development and behavioral services; emergency preparedness and response; medical care services; and vital records and health statistics.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Norfolk Department of Public Health (NDPH) supports the Priority Areas of Economic Vitality and Workforce Development; Safe, Healthy, and Inclusive Communities; and Lifelong Learning. NDPH has partnered with local businesses, government agencies, schools, and health providers to promote and protect the health of Norfolk residents, visitors, and its environment by undertaking the following actions:

Ongoing Actions	Status
Work with the increasing number of Norfolk eating establishments, food vendors and their employees to protect consumers from food borne pathogens	Ongoing
Increase enrollment of teenagers in abstinence-based educational programs to reduce teen birth rates to a level that meets or exceeds the best performing cities and counties (~20 per 1,000 births)	Ongoing
Collaborate with Norfolk Public Schools to ensure all eligible students entering sixth grade comply with admission requirements by receiving a TDAP vaccine to reduce disease morbidity and mortality	Ongoing

Ongoing Actions	Status
Provide Virginia Cooperative Extension programs and services to foster effective youth development and family nutrition education	Ongoing
Maintain and enhance the pool of active volunteers to strengthen the range and depth of programming provided by Virginia Cooperative Extension	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development

Goal

Diversify and strengthen Norfolk's economic base

Objective

Increase knowledge, skills and abilities of Norfolk's workforce

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of Norfolk food establishment managers certified	281	493	450	460	10
Number of Norfolk food establishment employees certified	6,208	8,439	10,500	11,000	500

Priority: Safe, Healthy, and Inclusive Communities

Goal

Create a culture that promotes health, engages in prevention, and supports the economic and social well being of individuals and families through the provision of an array of programs and services

Objective

Ensure students receive required/recommended immunizations by strengthening the partnership with NPS

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Percent of Norfolk Public Schools 6th graders who are adequately immunized	100	100	100	100	0

Objective

Provide Virginia Cooperative Extension services for urban horticulture, nutritional education, and youth development

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of volunteer hours contributed to the provision of VCE programs and services (New measure in FY 2017)	0	0	0	13,018	13,018
Dollar value of VCE volunteer hours (New measure in FY 2017)	0	0	0	85,000	85,000
Number of youth participating in Norfolk 4-H programs (New measure in FY 2017)	0	0	0	4,000	4,000
Number of Norfolk residents participating in urban horticulture training, nutrition education, and Master Gardener certification programs	51,321	47,322	51,000	52,000	1,000

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase accessibility to lifelong learning opportunities using existing city and school resources					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of teens undertaking abstinence programming	237	504	375	400	25
Objective					
Network and identify opportunities for partnership among the city, local educational institutions, businesses and community resources that will promote and expand lifelong learning for the city workforce and community members.					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of medical and community volunteers	350	302	225	250	25

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,295,235	$967,167	$487,413	$303,585
Materials, Supplies and Repairs	$85,534	$71,976	$90,486	$192,033
Contractual Services	$178,370	$90,212	$89,963	$89,963
Equipment	$7,034	$1,576	$0	$0
Department Specific Appropriation	$2,401,117	$2,399,878	$2,808,622	$2,882,838
Total	$3,967,290	$3,530,809	$3,476,484	$3,468,419

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $954 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

Priority Area(s) Met: Environmental Sustainability

- **Adjust support for state Vector Control positions FY 2017 $23,112 FTE: 1**

  Convert a state Vector Control, mosquito and rodent control employee to a city position. Public Health is converting 100 percent locally funded state employees to city employees through attrition. This adjustment is part of ongoing reorganization efforts within the department to achieve savings by converting employees from state-funded positions to city-funded positions. The city's salary and benefits for these positions are less than the state's salary and benefits. There is a corresponding expenditure reduction within the department to reflect the savings. This action maintains or improves the efficiency and effectiveness of service delivery.

  Priority Area(s) Met: Environmental Sustainability

- **Provide funds for building maintenance FY 2017 $101,357 FTE: 0**

  Provide funds for improvements to the Workforce Development Center. The department will reconfigure space previously used for dental services to improve the client service area and provide staff with additional storage space. A corresponding revenue adjustment has been made to support this improvement.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Provide support for city-state cooperative budget FY 2017 $105,634 FTE: 0**

  Technical adjustment to provide funds for a projected increase in the required local match for the city-state cooperative budge due to additional state funds.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Capture personnel savings FY 2017 ($125,550) FTE: 0**

  Capture personnel savings as a result of two actions. First, the department will realize a savings by converting a state Vector Control position to a city Vector Control position. Second, remove one-time funds used in FY 2016 to complete the transition of the school nurse program to Norfolk Public Schools.

  Priority Area(s) Met: Environmental Sustainability and Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures FY 2017 $190 FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Environmental Sustainability and Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $1,697 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Environmental Sustainability

- **Adjust required contribution to the city's retirement system** **FY 2017 ($103,633)** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Environmental Sustainability and Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 ($11,826)** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Public Health **Total: ($8,065)** **FTE: 1**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Environmental Health Assistant I	1 03	$21,222	$34,609	5	1	6
Environmental Health Assistant II	1 04	$22,875	$37,301	2	0	2
Groundskeeper Crew Leader	1 09	$33,770	$55,060	1	0	1
Refuse Inspector	1 08	$31,180	$50,847	2	0	2
Total				10	1	11

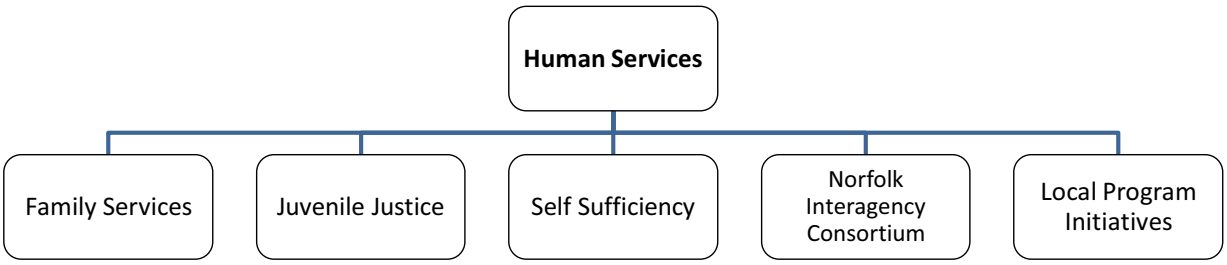
Human Services

Mission Statement

The Norfolk Department of Human Services (NDHS) is committed to improving the lives of children, families, and communities through comprehensive services that support the well-being of Norfolk residents.

Department Overview

The Norfolk Department of Human Services is a multifunctional agency providing services to strengthen children, families, and individuals. NDHS provides social services and juvenile justice services. Services include foster care, adoption services, adult and child protective services, job assistance, supplemental nutrition assistance, medical assistance, Medicaid, and many other comprehensive services to meet the needs of its residents. NDHS works cooperatively with community organizations to ensure comprehensive services are available to all children, adults, families, and individuals who need them.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Department of Human Services promotes the Priority Areas of Safe, Healthy, and Inclusive Communities and Economic Vitality and Workforce Development. Actions in place to further the long term goal of achieving, primarily, the creation of a culture that promotes health, engages in prevention, and supports the economic and social well-being of individuals and families include:

Ongoing Actions	Status
Increase referral services, decrease barriers to employment, and increase post-employment support and services	Ongoing
Increase the number of families that are rapidly re-housed and prevented from entering homelessness	Ongoing
Conduct investigation of CPS and APS referrals within the priority time frames established by state guidelines	Ongoing
Decrease time to permanency for foster care children who cannot be reunited with the original family by terminating parental rights, recruiting families interested in fostering to adopt, and performing concurrent planning when bringing children into care	Ongoing
Provide community, familial, and vocational engagement programming to reduce offender recidivism	Ongoing

Ongoing Actions	Status
Prevent reoccurrence of abuse or neglect by providing services to children and adults who have been abused or neglected	Ongoing
Provide mental health, medical, and educational services to improve the outcomes of youth in the Juvenile Detention Center	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development

Goal

Diversify and strengthen Norfolk's economic base

Objective

Connect workers with viable employment opportunities

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Percent of Virginia Initiative for Employment not Welfare (VIEW) participants who find employment and remain employed for 90 days or longer	77	77	75	75	0

Priority: Safe, Healthy, and Inclusive Communities

Goal

Create a culture that promotes health, engages in prevention, and supports the economic and social well being of individuals and families through the provision of an array of programs and services

Objective

Strengthen the network of benefit programs and services by processing applications and reviews according to timeframes established by federal and state guidelines

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Percent of Supplemental Nutrition Assistance Program applications processed within state timeliness standards (Benefits Programs)	98	98	97	97	0
Percent of Medicaid Program applications processed within state timeliness standards (Benefits Programs)	82	82	97	97	0
Percent of Temporary Assistance for Needy Families Program applications processed within state timeliness standards (Benefits Programs)	95	95	97	97	0

Objective

Increase the timeliness of responses to allegations of abuse and neglect to children and adults in order to decrease the recurrence

Priority: Safe, Healthy, and Inclusive Communities					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of adults with no recurrence of a substantiated claim of abuse or neglect for six months-Adult Protective Services (New measure in FY 2017)	0	0	0	95	95
Percent of children with no recurrence of a substantiated claim of abuse or neglect for six months-Child Protective Services (New measure in FY 2017)	0	0	0	96.6	96.6
Percent of Adult Protective Services complaints of abuse and neglect responded to within state standards for timeliness (Adult Protective Services)	95	89	97	97	0
Percent of Child Protective Services abuse and neglect complaints responded to within state standards for timeliness	95	96	95	95	0
Objective					
Improve service delivery purchased through Norfolk Interagency Consortium for at risk youth and families					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of family assessment and planning meetings attended by members of the child's family (New measure in FY 2017)	0	0	0	50	50
Percent of youth remaining in a residential setting for less than or equal to 12 months (New measure in FY 2017)	0	0	0	60	60
Percent of total youth served by CSA who are receiving community-based services (New measure in FY 2017)	0	0	0	60	60
Objective					
Increase percent of children who are safely discharged from foster care to adoption, reunification with family or are transferred to relatives					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Average time (in months) that youth are in foster care prior to reunification with their family (New measure in FY 2017)	0	0	0	12	12
Average time (in months) that youth are in foster care prior to adoption-for those youth who could not be reunified with family or placed with a relative (New measure in FY 2017)	0	0	0	35	35
Percent of foster care children entering foster care during the preceding 24 months that have achieved permanent placement (New measure in FY 2017)	0	0	0	85	85

Priority: Safe, Healthy, and Inclusive Communities					
Objective					
To stabilize families at risk of becoming homeless through prevention services, rapid re-housing, and inter-agency service coordination					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of Homeless Action and Response Team (HART) participants stably housed after 3 months (New measure in FY 2017)	0	0	18	85	67
Objective					
Enhance public safety and ex-offender outcomes by reducing recidivism through a host of community, familial, and vocational engagement programs					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of participants returning to jail or prison within three years of entering the Prisoner Reentry Program	14	7	15	15	0
Objective					
Enhance community safety and youth offender outcomes through the provision of Detention Center programs and services					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of youth actively engaged in mental health, medical, and educational services while in the Juvenile Detention Center (New measure in FY 2017)	0	0	0	100	100
Number of unique youth offenders housed in the Juvenile Detention Center during fiscal year (New measure in FY 2017)	0	0	0	550	550

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$26,035,128	$26,502,545	$28,324,297	$29,747,061
Materials, Supplies and Repairs	$893,976	$930,729	$1,229,525	$1,240,202
Contractual Services	$6,134,368	$5,676,666	$3,901,860	$3,135,686
Equipment	$155,753	$221,604	$349,900	$349,900
Public Assistance	$11,995,053	$11,601,613	$12,670,603	$12,670,603
Department Specific Appropriation	$101,300	$427,157	$0	$12,500
Total	$45,315,578	$45,360,315	$46,476,185	$47,155,952

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$10,253,512	CDBG Emergency Utility Program	5.5
		Comprehensive Services Act	
		Donations: Foster Children Support	
		Emergency Shelter Grant HART Team	
		Extreme Recruitment Program	
		Virginia Juvenile Community Crime Control Act (VJCCCA)	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $217,366 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Lifelong Learning and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjusts costs for rent renewal FY 2017 ($15,869) FTE: 0**

  Technical adjustment due to the renewal of the building lease at the Monticello facility. A new lease will begin for this facility in September 2016, resulting in an annual reduction of rent from $949,818 to $933,949. Rent expenditures associated with Virginia Department of Social Services programs are reimbursable at an average rate of 77 percent. Due to the reduction in rent expenditures, a corresponding revenue adjustment has been made.

  Priority Area(s) Met: Well-Managed Government

- **Complete transition to internal program FY 2017 ($251,712) FTE: 0**

  Complete conversion from external employment contract to an internally-staffed program. The contract provided employment services associated with TANF and VIEW programs, and expired in September 2015. This action removes the remaining three months of contract expenditures provided in FY 2016. Additionally, this action provides $75,089 in FY 2017 to support on-going personnel costs associated with the internal staff.

  Priority Area(s) Met: Lifelong Learning

- **Adjust costs for Fleet expenditures** **FY 2017 ($3,323)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Lifelong Learning and Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $205,538** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Lifelong Learning and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $440,851** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Lifelong Learning and Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $86,916** **FTE: 0.5**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and an increase in part-time hours. These are routine actions which occur at the beginning of the budget cycle.

Human Services **Total: $679,767** **FTE: 0.5**

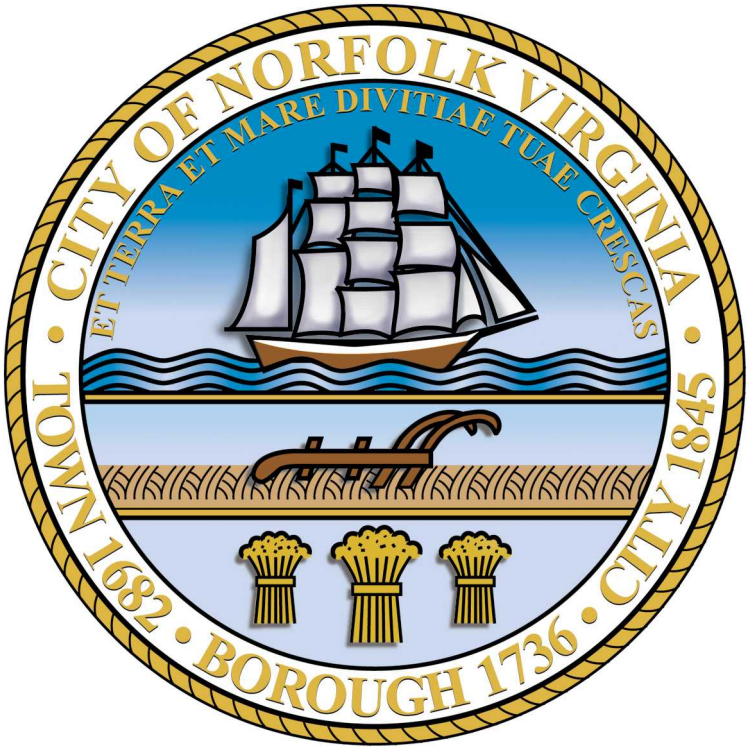
Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	1	0	1
Accounting Technician II	1 07	$28,815	$47,022	4	0	4
Administrative Assistant I	1 09	$33,770	$55,060	1	0	1
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Administrative Technician	1 07	$28,815	$47,022	8	0	8
Applications Development Team Supervisor	1 17	$63,000	$102,816	1	0	1
Assistant Director	1 21	$79,375	$132,090	1	0	1
Benefit Programs Specialist I	1 08	$31,180	$50,847	48.5	-12	36.5
Benefit Programs Specialist II	1 09	$33,770	$55,060	98	12	110
Benefit Programs Specialist, Senior	1 10	$36,605	$59,690	20	-1	19
Benefit Programs Supervisor	1 12	$43,470	$70,890	25	0	25
Business Manager	1 13	$46,885	$76,449	3	0	3
Community Assessment Team Coordinator	1 11	$40,005	$65,280	1	0	1
Cook	1 04	$22,875	$37,301	5	0	5
Data Quality Control Analyst	1 07	$28,815	$47,022	1	0	1
Data Quality Control Manager	1 09	$33,770	$55,060	1	0	1
Detention Center Assistant Superintendent	1 14	$51,000	$84,354	2	0	2
Detention Center Superintendent	1 19	$71,500	$116,280	1	0	1
Detention Center Supervisor	1 12	$43,470	$70,890	7	-1	6
Director of Human Services	1 24	$92,800	$159,120	1	0	1
Facilities Manager	1 13	$46,885	$76,449	1	0	1
Family Services Associate	1 07	$28,815	$47,022	10	0	10
Family Services Supervisor	1 14	$51,000	$84,354	17	0	17
Family Services Worker I	1 10	$36,605	$59,690	34	2	36
Family Services Worker II	1 12	$43,470	$70,890	34	0	34
Family Services Worker III	1 13	$46,885	$76,449	5	1	6
Fiscal Manager II	1 14	$51,000	$84,354	2	1	3
Fiscal Monitoring Specialist I	1 11	$40,005	$65,280	5	-2	3
Fiscal Monitoring Specialist II	1 13	$46,885	$76,449	1	1	2
Food Service Manager	1 11	$40,005	$65,280	1	0	1
Fraud Investigator	1 09	$33,770	$55,060	6	-1	5
Fraud Supervisor	1 12	$43,470	$70,890	1	0	1
Human Resources Analyst	1 14	$46,885	$76,449	1	-1	0
Human Resources Technician	1 09	$33,770	$55,060	1	0	1
Human Services Aide	1 05	$24,685	$40,290	37	3	40
Laundry Worker	1 01	$18,315	$30,090	1	0	1
Licensed Practical Nurse	1 10	$36,605	$59,690	1	0	1
Maintenance Mechanic I	1 06	$26,900	$43,860	2	0	2
Maintenance Supervisor I	1 11	$40,005	$65,280	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Management Analyst I	1 11	$40,005	$65,280	1	0	1
Management Analyst II	1 13	$46,885	$76,449	1	-1	0
Messenger/Driver	1 02	$19,705	$32,135	2	0	2
Office Assistant	1 03	$21,222	$34,609	7.5	-1.5	6
Office Manager	1 09	$33,770	$55,060	2	1	3
Operations Controller	1 16	$58,970	$96,145	1	0	1
Operations Manager	1 14	$51,000	$84,354	1	0	1
Personnel Specialist	1 11	$40,005	$65,280	1	0	1
Program Supervisor	1 13	$46,885	$76,449	4	0	4
Programmer/Analyst II	1 12	$43,470	$70,890	1	0	1
Programmer/Analyst IV	1 14	$51,000	$84,354	1	0	1
Programmer/Analyst V	1 16	$58,970	$96,145	2	1	3
Programs Manager	1 15	$55,210	$90,270	9	0	9
Registered Nurse	1 12	$43,470	$70,890	1	0	1
Self-Sufficiency Specialist II	1 11	$40,005	$65,280	13	0	13
Self-Sufficiency Specialist Sr	1 12	$43,470	$70,890	4	0	4
Self-Sufficiency Supervisor	1 13	$46,885	$76,449	2	0	2
Senior Microcomputer Systems Analyst	1 14	$51,000	$84,354	2	0	2
Staff Technician II	1 09	$33,770	$55,060	1	0	1
Support Technician	1 05	$24,685	$40,290	31	-1	30
Youth Detention Specialist I	1 08	$31,180	$50,847	12	1	13
Youth Detention Specialist II	1 09	$33,770	$55,060	4	-1	3
Youth Detention Specialist II	1 09	$33,770	$55,060	14	0	14
Youth Detention Specialist III	1 11	$40,005	$65,280	6	1	7
Youth Detention Specialist III	1 11	$40,005	$65,280	10	-1	9
Total				525	0.5	525.5

Public Safety



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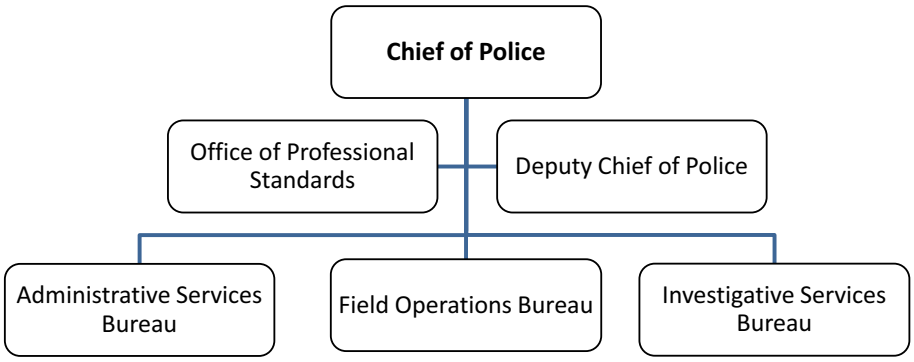
POLICE

MISSION STATEMENT

The Norfolk Police Department shall provide exemplary police service rooted in honor, integrity, and diversity to meet the needs of the people of Norfolk.

DEPARTMENT OVERVIEW

The Department of Police is structured to deliver services to the residents of the City of Norfolk in the most efficient and effective manner. The Administrative Services function includes strategic management, personnel, fiscal management, central records, and training. The Field Operations function includes two patrol divisions: the Homeland Security Division and the Crime Prevention Division. The Investigative Services function includes: the Detective Division, the Vice and Narcotics Division, and the Criminal Intelligence Unit. The functions of the Office of Professional Standards Division fall under the Chief of Police.



ACTIONS TO ACHIEVE LONG-TERM GOALS AND SHORT-TERM OBJECTIVES

The Department of Police strategically supports the city Priority Areas of Economic Vitality and Workforce Development; Lifelong Learning; Safe, Healthy, and Inclusive Communities; and Well-Managed Government. The strategies are planned to sustain safe, healthy, and vital communities by promoting community partnerships with residents and businesses, continuing proactive policing, and achieving operational efficiency through a well-trained, qualified, community workforce. Specific actions undertaken to achieve long-term goals include:

Ongoing Actions	Status
Continue community partnerships with crime prevention programs to enhance the safety and livability of Norfolk's neighborhoods	Ongoing
Conduct academies and provide training opportunities to support lifelong learning within the communities and the police workforce	Ongoing
Sustain safe environments by protecting and serving the people of Norfolk through proactive policing and solving homicides	Ongoing

Ongoing Actions	Status
Focus on improved emergency preparedness by providing vigorous and standard homeland security training	Ongoing
Sustain operational efficiency by retaining a qualified workforce through leadership training and development	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Expand, attract and retain businesses within Norfolk					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants in the crime prevention program	1,533	3,449	1,550	1,550	0
Number of participants in the security survey	69	89	70	70	0
Number of crime prevention programs held to promote public safety	26	6	6	6	0

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Provide a safe environment for residents, workers, and visitors					
Objective					
Reduce crime through the creation of a proactive policing unit at the Patrol Division level					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Index crime levels for violent crime	1,226	1,340	1,275	1,275	0
Objective					
Maintain a homicide Cold Case section within the Detective Division					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Homicide clearance rate	70	57	77	77	0

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Improve and enhance disaster awareness and planning					
Objective					
Improve emergency preparedness by vigorous and regular homeland security training					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of workforce who complete Homeland Security training	22	12	30	30	0

Priority: Well-Managed Government					
Goal					
Develop, recruit, and retain talented employees to meet current and future workplace requirements					
Objective					
Promote organizational excellence and leadership skills of staff by developing an annual leadership school tied to the department rank structure					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of rank leadership officers who complete training	19	37	17	17	0
Objective					
Improve retention rate of sworn staff					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Retention rate of sworn staff	96	95	97	97	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Create a comprehensive short and long-term community workforce plan outlining workforce skills needed by area employers					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants for Citizens Police Academy	83	118	81	81	0
Number of participants for Youth Academy	409	528	288	288	0

Priority: Lifelong Learning					
Goal					
Achieve a well-trained, qualified community workforce					
Objective					
Network and identify opportunities for partnership among the city, local educational institutions, and businesses and community resources that will promote and expand lifelong learning					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of training hours facilitated by the NPD	2,900	4,249	3,600	3,600	0
Number of sworn personnel receiving educational pay	241	260	236	236	0

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$61,080,500	$60,335,971	$62,361,899	$64,302,037
Materials, Supplies and Repairs	$3,581,447	$3,594,531	$3,249,463	$2,816,911
Contractual Services	$728,461	$858,392	$848,500	$900,523
Equipment	$134,597	$206,720	$465,619	$481,445
Public Assistance	$0	$25,613	$0	$0
Department Specific Appropriation	$0	$15,845	$0	$0
Total	$65,525,005	$65,037,072	$66,925,481	$68,500,916

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$1,257,655	Asset Forfeiture	1
		CDBG Mental Health Crisis Program	
		DMV Selective Enforcement Grant	
		Donations to Police	
		Edward Byrne Memorial Justice Assistance Grant	
		Local Training Academy	
		Port Security Grant	

Proposed FY 2017 Budget Actions

- **Redesign sworn public safety compensation plan FY 2017 $966,268 FTE: 0**

  Redesign sworn public safety compensation plan to align with the city's Attraction, Retention, Motivation, and Development (ARMD) initiative. The revised plan makes Norfolk a regional leader in public safety compensation. The average pay increase for sworn public safety employees is approximately six percent. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Implement Phase III of ARMD compensation strategy FY 2017 $49,526 FTE: 0**

  Implement Phase III of the compensation strategy for civilian employees as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Support police officer body camera storage and maintenance** **FY 2017 $173,423** **FTE: 0**

  Technical adjustment to provide funds for police officer body camera video storage and equipment maintenance. The officer worn camera program supports the city's priority of safe, healthy, and inclusive communities and is a national best practice.

  Priority Area(s) Met: Well-Managed Government

- **Purchase firearms simulation module** **FY 2017 $22,300** **FTE: 0**

  Provide funds to purchase new module for the firearms training simulator. The firearms training simulator allows police officer's to train for the difficult real-world situations, such as ambushes, active shooters, and maintaining situational awareness during extreme stress.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Fund rent increase for Tazewell Building** **FY 2017 $7,406** **FTE: 0**

  Technical adjustment to provide funds for lease payments due to a contractual rent increase. The existing contract for space at Tazewell calls for an escalation each year based on the Consumer Price Index plus one percent. Projected rent costs will increase from $302,189 to $309,595.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust prisoner extradition expenditures** **FY 2017 $15,000** **FTE: 0**

  Technical adjustment to increase the appropriation needed for prisoner extradition, which is necessary when the department needs to retrieve someone from outside the area or state. A corresponding revenue adjustment has been made.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Remove one-time funds for COPS Grant** **FY 2017 ($181,004)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2016 to support the Community Oriented Policing Services (COPS) Grant. Grant matching funds are no longer necessary.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Remove one-time funds for security system upgrade** **FY 2017 ($157,597)** **FTE: 0**

  Technical adjustment to remove one-time funds provided in FY 2016 to upgrade the security authentication system. System upgrade was completed in FY 2016.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Adjust costs for Fleet expenditures** **FY 2017 ($425,235)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy FY 2017 $569,467 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system FY 2017 $438,680 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures FY 2017 $97,201 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Police Total: $1,575,435 FTE: 0

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	2	0	2
Accounting Supervisor	1 14	$51,000	$84,354	0	1	1
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	12	-3	9
Administrative Assistant II	1 10	$36,605	$59,690	1	1	2
Administrative Technician	1 07	$28,815	$47,022	1	0	1
Assistant Chief Of Police	3 07	$104,426	$124,129	4	0	4
Bureau Manager	1 18	$67,350	$109,823	1	0	1
Chief of Police	1 25	$100,205	$169,320	1	0	1
Compliance Inspector	1 10	$36,605	$59,690	1	0	1
Crime Analyst	1 11	$40,005	$65,280	0	1	1
Crime Analyst, Senior	1 13	$46,885	$76,449	0	2	2
Custodian	1 02	$19,705	$32,135	1	0	1
Deputy Chief of Police	1 22	$83,400	$140,250	1	0	1
Fiscal Manager II	1 14	$51,000	$84,354	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Health & Fitness Facilitator	1 10	$36,605	$59,690	1	0	1
Humane Officer I	1 07	$28,815	$47,022	7	0	7
Humane Officer II	1 11	$40,005	$65,280	1	0	1
Legal Assistant - CWA	CWA006	$39,715	$63,486	0	1	1
Management Analyst I	1 11	$40,005	$65,280	2	-1	1
Management Analyst II	1 13	$46,885	$76,449	6	-2	4
Management Analyst III	1 14	$51,000	$84,354	2	-1	1
Office Assistant	1 03	$21,222	$34,609	1	1	2
Operations Manager	1 14	$51,000	$84,354	1	0	1
Operations Officer I	1 05	$24,685	$40,290	15	-3	12
Operations Officer II	1 07	$28,815	$47,022	11	-1	10
Police Captain	3 06	$83,915	$99,748	11	0	11
Police Corporal	3 03	$49,647	$68,068	17	12	29
Police Identification Clerk	1 05	$24,685	$40,290	1	0	1
Police Lieutenant	3 05	$73,154	$86,787	25	10	35
Police Officer	3 02	$40,981	$62,349	590	-15	575
Police Records & Identification Section Supervisor	1 12	$43,470	$70,890	1	0	1
Police Recruit	3 01	$37,975	$37,975	21	7	28
Police Sergeant	3 04	$57,948	$79,510	99	-13	86
Program Administrator	1 13	$46,885	$76,449	1	0	1
Programmer/Analyst III	1 13	$46,885	$76,449	1	0	1
Programmer/Analyst IV	1 14	$51,000	$84,354	1	0	1
Programmer/Analyst V	1 16	$58,970	$96,145	1	0	1
Programs Manager	1 15	$55,210	$90,270	1	0	1
Project Coordinator	1 13	$46,885	$76,449	0	1	1
Public Services Coordinator	1 11	$40,005	$65,280	0	1	1
Software Analyst	1 13	$46,885	$76,449	0	1	1
Stenographic Reporter	1 07	$28,815	$47,022	3	0	3
Support Technician	1 05	$24,685	$40,290	27	0	27
Total				874	0	874

Composition of sworn police force changes based on career progression and the size of the active recruit class

Fire-Rescue

Mission Statement

Norfolk Fire-Rescue protects life, property, and the environment by preventing and suppressing fires, mitigating hazards, caring for the sick and injured, and providing public education.

Department Overview

Norfolk Fire-Rescue consists of seven divisions:

Operations: Responsible for all emergency services provided by the department including fire suppression, emergency medical care, hazardous materials mitigation, technical rescue, water rescue, and terrorism response. In addition, operational forces perform pre-incident evaluation site visits, as well as public service activities, including smoke alarm sweeps, inspections and installations, hands only CPR training, child safety seat installations, and medical blood pressure checks as requested.

Fire Prevention and Life Safety: Responsible for fire code enforcement and life safety inspections, as well as environmental code enforcement. In addition, the Fire Marshal's office performs fire and arson investigations, and car seat safety inspections. Other responsibilities include participation in task forces.

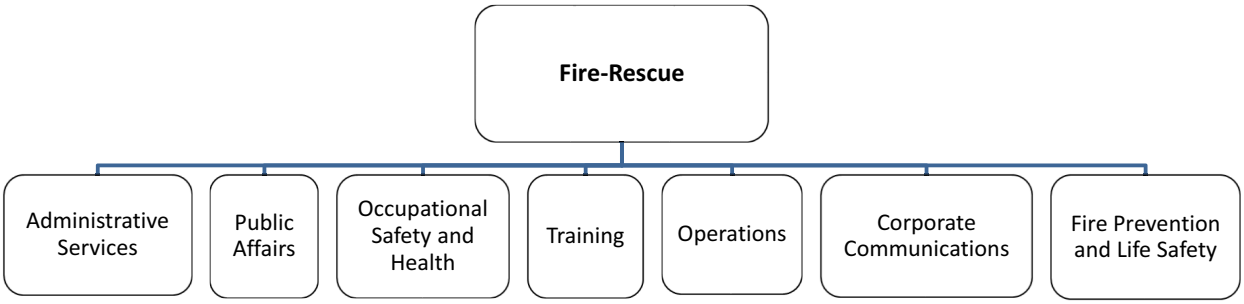
Training: Responsible for all personnel training and certification programs provided by the department in the subject areas of basic and advanced firefighting, basic and advanced emergency medical care including championing cutting edge medical care advancements, hazardous materials, technical rescue, terrorism, management/leadership, and command and control.

Occupational Safety & Health: Responsible for firefighter health and wellness programs, emergency incident and workplace safety, disability management, risk management, and loss prevention.

Public Affairs: Responsible for public outreach programs, media relations and public information, marketing, recruitment, and fire and life safety education.

Corporate Communications: Responsible for information technology, performance measurement, quality assurance/quality improvement, strategic planning, and workforce planning accreditation.

Administrative Services: Responsible for payroll and employee benefits administration, accounts payable, accounts receivable, budgeting and fiscal management, grants administration, procurement and supply, and clerical and administrative support.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Norfolk Fire-Rescue primarily supports the Priority Areas of Economic Vitality and Workforce Development; Safe, Healthy, and Inclusive Communities; and Lifelong Learning. Actions in place to achieve the long term goals of providing a safe environment for residents, workers, and visitors; enhancing the efficiency of programs and services; increasing accessibility to lifelong learning; and increasing regionally based employment opportunities for Norfolk's residents include:

Ongoing Actions	Status
Improve documentation, provide training, and track progress to improve response times	Ongoing
Heighten awareness of the smoke alarm program through public outreach, public announcements, and web-based information	Ongoing
Provide 350 or more fire/EMS safety presentations of 30 minutes or more	Ongoing
Continue support of the Norfolk Fire-Rescue Explorers program	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Increase regionally-based employment opportunities for Norfolk's residents					
Objective					
Increase knowledge, skills and abilities of Norfolk's workforce					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants in the Norfolk Fire-Rescue's Explorer's program	15	15	20	25	5
Percent of Explorers program participants currently enrolled in high school and maintaining a 2.0 or above grade point average (New measure for FY 2017)	0	0	0	85	85
Objective					
Eliminate barriers to employment					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of minority applicants secured through recruitment efforts (New measure for FY 2017)	0	0	0	179	179
Number of veteran applicants secured through recruitment efforts (New measure for FY 2017)	0	0	0	145	145

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Provide a safe environment for residents, workers, and visitors					
Objective					
Enhance neighborhood safety by improving average total response time to critical fire calls to equal to or less than five minutes and twenty seconds					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of fire calls with a total response time of 5 minutes and 20 seconds or less	77	80	90	90	0
Objective					
Enhance neighborhood safety by improving average total response time to Advanced Life Support emergency medical calls to within nine minutes of receiving the emergency call					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of Emergency Medical Services calls with advanced life support response with a total response time of 9 minutes or less	100	100	90	90	0
Objective					
Increase resident awareness of the program that provides free smoke alarms as well as installation for all Norfolk residents					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of residential contacts that lead to residents awareness and installation of smoke alarms (Revised measure for FY 2017)	0	0	0	1,400	1,400

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Increase accessibility to lifelong learning opportunities using existing city and school resources					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants reached through community outreach efforts emphasizing prevention of cooking fires (Revised measure for FY 2017)	0	0	0	11,495	11,495
Number of emergency calls annually associated with cooking (reduced through increased community outreach)	82	76	80	76	-4

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$37,517,951	$37,220,800	$38,143,301	$40,059,247
Materials, Supplies and Repairs	$2,257,407	$2,217,347	$2,096,707	$2,133,119
Contractual Services	$344,578	$343,864	$368,048	$399,772
Total	$40,119,936	$39,782,011	$40,608,056	$42,592,138

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$1,822,459	Donations to Fire-Rescue	0
		Emergency Medical Services Training Fund	
		Fire Programs Aid to Locality Fund	
		Four-for-Life Aid to Locality Fund	
		Hazardous Materials Recovery Fund	
		Homeland Security Grant Program	

Proposed FY 2017 Budget Actions

- **Redesign sworn public safety compensation plan FY 2017 $914,902 FTE: 0**

  Redesign sworn public safety compensation plan to align with the city's Attraction, Retention, Motivation, and Development (ARMD) initiative. The revised plan makes Norfolk a regional leader in public safety compensation. The average pay increase for sworn public safety employees is approximately six percent. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Implement Phase III of ARMD compensation strategy FY 2017 $5,973 FTE: 0**

  Implement Phase III of the compensation strategy for civilian employees as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Support continuation of Master Firefighter Program FY 2017 $51,380 FTE: 0**

  Technical adjustment to provide funds to support the Master Firefighter Program. The professional development initiative is designed to encourage firefighters to enhance skills and abilities in the areas of firefighting, emergency medical services, special operations, fire prevention, training, and management administration.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Purchase medical supplies FY 2017 $10,650 FTE: 0**

  Provide funds to purchase medical supplies for emergency medical services.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Fund maintenance service for medical equipment FY 2017 $29,910 FTE: 0**

  Technical adjustment to provide funds for maintenance service contract for heart monitor defibrillators. This equipment is used for emergency medical services.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Fund rent increase for Tazewell Building FY 2017 $1,314 FTE: 0**

  Technical adjustment to provide funds for lease payments due to a contractual rent increase. The existing contract for space at Tazewell calls for an escalation each year based on the Consumer Price Index plus one percent. Projected rent cost will increase from $238,165 to $239,479.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures FY 2017 $26,262 FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy FY 2017 $296,277 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system FY 2017 $269,520 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $377,894 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Fire-Rescue **Total: $1,984,082 FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Administrative Technician	1 07	$28,815	$47,022	1	0	1
Assistant Fire Chief	4 10	$87,916	$109,796	4	0	4
Assistant Fire Marshal	4 06	$50,286	$74,650	3	0	3
Battalion Fire Chief	4 09	$72,359	$99,748	16	0	16
Chief of Fire-Rescue	1 25	$100,205	$169,320	1	0	1
Deputy Fire Chief	4 11	$92,294	$115,262	1	0	1
Fire Captain	4 08	$57,735	$85,709	47	0	47
Fire Inspector	4 05	$45,376	$70,772	10	0	10
Fire Lieutenant	4 06	$50,286	$74,650	35	0	35
Fire/Paramedic Lieutenant	4 07	$52,835	$78,433	1	-1	0
Firefighter EMT	4 02	$41,168	$52,700	19	-4	15
Firefighter EMT-Enhanced / Advanced	4 03	$38,228	$59,624	225	5	230
Firefighter EMT-I	4 04	$39,284	$61,271	39	-3	36
Firefighter EMT-P	4 05	$45,376	$70,772	87	-11	76
Firefighter Recruit	4 01	$36,617	$36,617	8	14	22
Media Production Specialist	1 12	$43,470	$70,890	1	0	1
Personnel Specialist	1 11	$40,005	$65,280	1	0	1
Programmer/Analyst III	1 13	$46,885	$76,449	1	0	1
Staff Technician I	1 08	$31,180	$50,847	2	0	2
Total				504	0	504

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Public Works

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PUBLIC WORKS

MISSION STATEMENT

The Department of Public Works builds, maintains, and operates the physical facilities that support and enhance the lives of Norfolk's residents, businesses, and visitors, including the city's street network, traffic management systems, storm water system, and waste collection system.

DEPARTMENT OVERVIEW

The Department of Public Works offers a wide variety of services and is organized into six field divisions and two administrative divisions.

- The Operations Division maintains streets, curbs, gutters, sidewalks and bridge structures. This division also coordinates the city's emergency recovery from natural and man-made disasters including snow, ice, and tropical storms.

- The Transportation Division plans, operates and maintains street lights, traffic signals, traffic control devices, pavement markings, signal timings and over 100 miles of fiber optic cable. This division also coordinates and integrates the traffic signal system with light rail operations and coordinates design and construction of state highway projects.

- The Right-of-Way Division coordinates, permits, and inspects roadway construction projects and serves as the liaison to private utility companies. The division generates General Fund revenue annually through permit and franchise utility fees which are, in turn, used for city right-of-way upkeep.

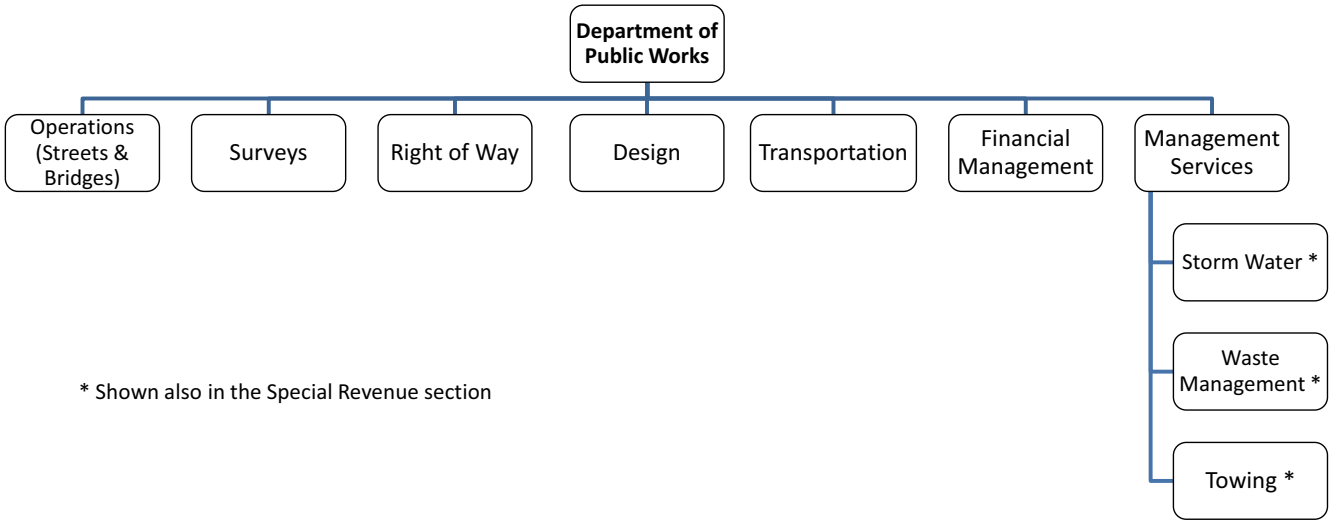
- The Design and Construction Division provides design and contract technical support for construction of new and existing facilities.

- The Surveys Division provides surveying services and maintains official plats and records.

- The Management Services Division is responsible for media, community and public relations. This division is also responsible for general administration and departmental human resources including employee training.

- The Financial Management Division is responsible for collections, disbursements, and maintenance of funds as well as fiscal and budgetary monitoring and support.

- The Department of Public Works also manages Environmental Storm Water, Towing and Recovery Services, and Waste Management. These divisions are considered Special Revenue and are listed in the special revenue section of the budget document.



* Shown also in the Special Revenue section

Actions to Achieve Long-Term Goals and Short-Term Objectives

The Department of Public Works supports the Priority Areas of Accessibility, Mobility and Connectivity; Economic Vitality and Workforce Development; Environmental Sustainability; Lifelong Learning; Safe, Healthy, and Inclusive Communities; and Well Managed Government. Actions in place to achieve the long term goals of protecting natural resources, increasing vocational and technical opportunities, maintaining safety measures for infrastructure, and providing growth opportunities for employees include:

Ongoing Actions	Status
Inspect bridges to ensure that they meet National Bridge Inspection Standards	Ongoing
Improve roadways and sidewalk infrastructure city-wide to reduce right of way backlogs and resident complaints/claims	Ongoing
Develop and implement a comprehensive Pavement Management Program to increase longevity of streets and address drainage issues	Ongoing
Execute, design, and/or commence construction of major city projects within the fiscal year they are funded	Ongoing
Expand the pedestrian and bicycle network to optimize traditional and alternative transportation modes	Ongoing

PERFORMANCE MEASURES

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Enhance the vitality of Norfolk's neighborhoods					
Objective					
Maintain safety of traffic signal system by inspecting all traffic signal infrastructure on a yearly basis					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of traffic signal infrastructure inspected per standard	100	100	100	100	0
Objective					
Ensure that arterial streets meet the lighting standards by maintaining existing street lights and adding new lights where appropriate					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of residential streets that meet illuminating engineering standards	77	77	77	77	0
Percent of arterial streets that meet illuminating engineering standards	100	100	100	100	0
Objective					
Improve maintenance of city streets by resurfacing 35 lane miles per year to meet 20 year resurfacing program goal					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of roadway lane miles resurfaced per year	51	26	30	30	0
Objective					
Maintain safe bridge conditions					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of bridges rated good or fair according to National Bridge Inspection Standards (It is anticipated that one bridge will fall below a rating of fair during FY 2017)	100	100	100	95	-5
Objective					
Execute design and/or construction of major city projects within the fiscal year they are funded					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of design and/or construction contracts issued within the fiscal year in which they are funded	92	93	90	90	0

Priority: Accessibility, Mobility and Connectivity					
Goal					
Increase transportation choice, connectivity, and affordability					
Objective					
Optimize traditional and alternative transportation modes and travel including an expanded pedestrian and bicycle network					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Miles of bikeways marked (total)	25	25	38	42	4

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$18,894,429	$13,517,416	$13,630,407	$14,127,255
Materials, Supplies and Repairs	$9,592,816	$7,454,520	$7,570,375	$7,749,747
Contractual Services	$11,642,472	$734,877	$661,597	$603,088
Equipment	$522,246	$534,532	$115,973	$125,473
Department Specific Appropriation	$1,270,515	$2,044,825	$2,531,306	$4,096,717
Total	$41,922,478	$24,286,170	$24,509,658	$26,702,280

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$13,850,953	Bridge Improvement Projects	0
		Brownfields	
		Citywide Signal Retiming	
		Congestion Mitigation Program	
		Culvert Improvement Projects	
		Downtown Transfer Center	
		Elizabeth River Trail	
		Highway Safety Inspection Projects Proactive Safety Projects	
		Incident Management Diversion System	
		Litter Prevention and Education	
		Signal Improvement Projects	
		Streets Improvement Projects	
		Traffic Management Projects	
		Walkway Improvement Projects	
		Water Quality Improvement Projects	

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $112,901 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Increase funding for VDOT street maintenance FY 2017 $465,411 FTE: 0**

  Technical adjustment to increase VDOT street maintenance expenditures to correspond to the increase in revenue from the state gasoline tax. The additional funding is for resurfacing streets and transportation related safety costs such as guardrails and maintenance of school flashing lights.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Provide funds for preliminary engineering FY 2017 $1,100,000 FTE: 0**

  Provide funds for preliminary engineering of capital projects. Preliminary engineering supports the personnel costs associated with capital projects throughout the city. Preliminary Engineering will be phased out of the Capital Improvement Plan over the next two fiscal years.

  Priority Area(s) Met: Well-Managed Government

- **Adjust support for the HRT transit extension study FY 2017 ($64,000) FTE: 0**

  Reduce funds for the city's match for the Naval Station Norfolk Transit Extension Study Draft Environmental Impact Statement from $156,000 in FY 2016 to $92,000 in FY 2017. Funding for the match will be phased out during FY 2017.

  Priority Area(s) Met: Well-Managed Government

- **Adjust costs for Fleet expenditures FY 2017 $191,863 FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy FY 2017 $140,924 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $81,827** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Economic Vitality and Workforce Development and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Update personnel expenditures** **FY 2017 $163,696** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Public Works **Total: $2,192,622** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant II	1 12	$43,470	$70,890	1	0	1
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Assistant I	1 09	$33,770	$55,060	2	1	3
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Administrative Technician	1 07	$28,815	$47,022	2	0	2
Applications Analyst	1 14	$51,000	$84,354	1	0	1
Architect II	1 16	$58,970	$96,145	1	0	1
Architect III	1 17	$63,000	$102,816	1	0	1
Architect IV	1 18	$67,350	$109,823	1	0	1
Asphalt Plant Operator I	1 08	$31,180	$50,847	1	0	1
Asphalt Plant Operator II	1 09	$33,770	$55,060	1	0	1
Assistant City Engineer	1 19	$71,500	$116,280	1	1	2
Assistant City Surveyor	1 15	$55,210	$90,270	1	0	1
Assistant Director	1 21	$79,375	$132,090	2	0	2
Assistant Streets Engineer	1 15	$55,210	$90,270	1	0	1
Automotive Mechanic	1 10	$36,605	$59,690	1	0	1
Bridge Inspection Supervisor	1 13	$46,885	$76,449	1	0	1
Bridge Maintenance Supervisor	1 13	$46,885	$76,449	1	0	1
Building / Equipment Maintenance Supervisor	1 11	$40,005	$65,280	1	0	1
Business Manager	1 13	$46,885	$76,449	1	1	2
City Engineer	1 21	$79,375	$132,090	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
City Surveyor	1 18	$67,350	$109,823	1	0	1
City Transportation Engineer	1 20	$76,000	$123,930	1	0	1
Civil Engineer II	1 14	$51,000	$84,354	6	-1	5
Civil Engineer III	1 15	$55,210	$90,270	5	0	5
Civil Engineer IV	1 16	$58,970	$96,145	2	0	2
Civil Engineer V	1 17	$63,000	$102,816	2	0	2
Construction Inspector I	1 08	$31,180	$50,847	2	-2	0
Construction Inspector II	1 08	$40,005	$65,280	10	1	11
Construction Inspector III	1 12	$43,470	$70,890	6	1	7
Contract Monitoring Specialist	1 11	$40,005	$65,280	1	0	1
Director of Public Works	1 24	$92,800	$159,120	1	0	1
Engineering Manager	1 20	$76,000	$123,930	1	0	1
Engineering Technician II	1 11	$40,005	$65,280	10	-1	9
Engineering Technician III	1 11	$43,470	$70,890	1	0	1
Equipment Operator II	1 06	$26,900	$43,860	21	0	21
Equipment Operator III	1 07	$28,815	$47,022	12	0	12
Equipment Operator IV	1 08	$31,180	$50,847	1	0	1
Geographic Information Systems Specialist II	1 12	$43,470	$70,890	1	1	2
Geographic Information Systems Technician I	1 09	$33,770	$55,060	1	0	1
Geographic Information Systems Technician II	1 11	$40,005	$65,280	1	0	1
Instrument Technician	1 08	$31,180	$50,847	3	0	3
Lead Mason	1 07	$28,815	$47,022	3	0	3
Maintenance Mechanic I	1 06	$26,900	$43,860	1	0	1
Maintenance Shop Manager	1 13	$46,885	$76,449	1	0	1
Maintenance Worker I	1 03	$21,222	$34,609	8	0	8
Maintenance Worker II	1 06	$26,900	$43,860	9	0	9
Management Analyst II	1 13	$46,885	$76,449	2	0	2
Management Services Administrator	1 18	$67,350	$109,823	1	0	1
Mason	1 06	$26,900	$43,860	17	0	17
Operations Manager	1 14	$51,000	$84,354	2	-1	1
Program Supervisor	1 13	$46,885	$76,449	1	0	1
Project Manager	1 14	$51,000	$84,354	4	1	5
Right of Way Permit Supervisor	1 15	$55,210	$90,270	1	0	1
Senior Design/Construction Project Manager	1 16	$58,970	$96,145	7	-1	6
Senior Projects Manager	1 16	$58,970	$96,145	1	0	1
Senior Traffic Engineer	1 15	$55,210	$90,270	1	0	1
Senior Transportation Engineer	1 15	$55,210	$90,270	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Senior Utility Maintenance Supervisor	1 13	$46,885	$76,449	2	0	2
Staff Technician I	1 08	$31,180	$50,847	1	0	1
Staff Technician II	1 09	$33,770	$55,060	1	0	1
Street Maintenance Supervisor	1 10	$36,605	$59,690	9	0	9
Superintendent of Traffic Operations	1 16	$58,970	$96,145	1	0	1
Support Technician	1 05	$24,685	$40,290	6	-1	5
Survey Party Chief	1 10	$36,605	$59,690	3	0	3
Traffic Engineering Assistant	1 14	$51,000	$84,354	1	1	2
Traffic Maintenance Technician I	1 08	$21,222	$34,609	3	2	5
Traffic Maintenance Technician II	1 06	$26,900	$43,860	1	-1	0
Traffic Maintenance Technician III	1 08	$31,180	$50,847	7	-1	6
Traffic Sign Fabricator II	1 06	$26,900	$43,860	2	0	2
Traffic Signal Technician I	1 07	$28,815	$47,022	3	-1	2
Traffic Signal Technician II	1 10	$36,605	$59,690	3	1	4
Traffic Signal Technician III	1 11	$40,005	$65,280	4	-2	2
Traffic Signal Technician IV	1 12	$43,470	$70,890	3	1	4
Traffic Systems Engineering Technician	1 10	$36,605	$59,690	2	0	2
Total				225	0	225

Debt Service

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Debt Service

The city traditionally issues General Obligation (G.O.) bonds to provide funding for a wide variety of general infrastructure improvements that directly benefit the basic needs and quality of life of every Norfolk resident. G.O. bonds are a type of borrowing, similar to a home mortgage, used by local governments to finance capital projects such as schools, public safety equipment, including police and fire facilities and vehicles; street improvements; transportation projects such as new roads and sidewalks; neighborhood improvements like curbs and gutters; economic development, including promoting business growth and vitality; parks, recreation and open space facilities; cultural institutions, including the zoo and museums; and community recreation centers.

The city obtains money for these projects by selling its G.O. bonds to investors, also called bondholders. In exchange, the city pledges to repay what it borrowed (principal), plus interest, over a predetermined number of years. As presented below, debt service refers to the scheduled payments of principal and interest on the city's previously issued G.O. bonds and any new debt service resulting from a planned new issuance of bonds during the current fiscal year. G.O. bonds are backed by the full faith and credit of the city, meaning that the city commits its full taxing authority to paying bondholders.

The city issues bonds because its capital needs exceed the ability to fund all capital projects with cash or current tax revenues. G.O. bond financing allows the city to spread the substantial costs of funding its capital program over multiple years. This kind of financing also allows the costs of capital projects to be spread over a number of years that better matches the expected useful life so that each generation (current and future) of taxpayers and users contributes a portion for the use of the infrastructure assets financed. Additionally, the Debt Service budget includes funding for the equipment and vehicle acquisition program. This program contains three categories of items:

- School Buses
- City-owned vehicle replacement
- City-owned information technology equipment replacement

In Fiscal Year 2015, a Line of Credit (LOC) financing tool was established as an additional financing mechanism that allows for better management of cash flow for capital project financing. A LOC partially funds the cashflow needs of the city's CIP by providing a low-cost, flexible interim financing option for capital projects and allows the city to draw funds "just-in-time". Use of this mechanism provides the city with greater flexibility regarding the timing of long-term bond sales.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Debt Principal & Interest	67,419,712	67,679,996	56,568,583	60,248,794
Equipment Acquisition Principal & Interest	6,221,337	3,980,835	3,234,403	3,551,003
Bond Issuance Cost	403,505	428,135	500,000	500,000
Transfer to CIP	1,309,666	609,666	2,079,166	1,447,393
TOTAL	**75,354,220**	**72,698,632**	**62,382,152**	**65,747,190**

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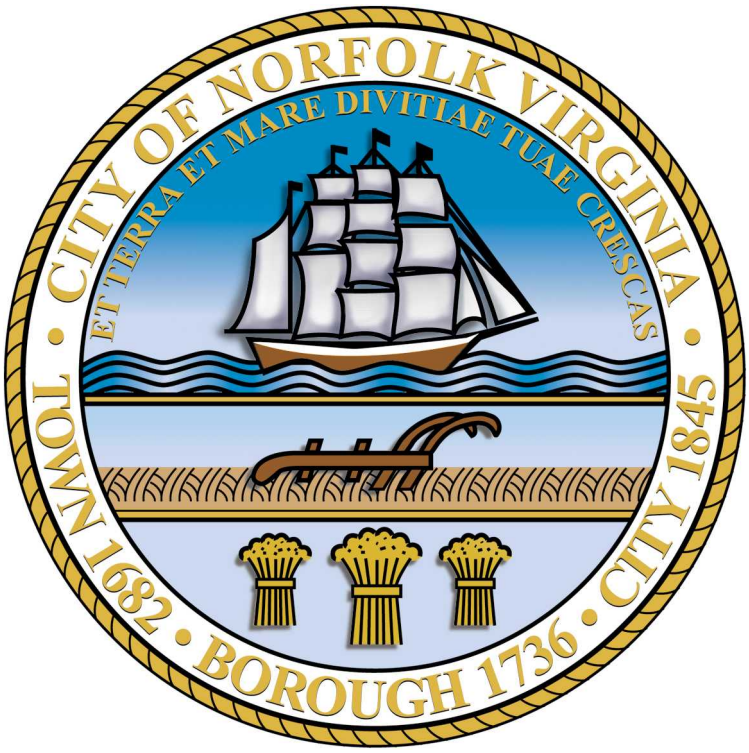
Public School Education



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Norfolk Public Schools

Mission Statement

The mission of Norfolk Public Schools (NPS), the cornerstone of a proudly diverse community, is to ensure all students maximize their academic potential, develop skills for lifelong learning, and are successful contributors to a global society, as distinguished by:

- Courageous advocacy for all students
- Family and community investment
- Data-driven personalized learning
- Strong and effective leadership teams
- Shared responsibility for teaching and learning
- Access to rigorous and rewarding college and career readiness opportunities

Division Overview

NPS is the largest urban school division and the seventh largest division overall in the Commonwealth of Virginia. The division enrolls a racially and economically diverse population of approximately 32,000 students, supported by more than 4,600 employees in 55 facilities. The educational philosophy of the division is based on the belief that all children can achieve at high levels and that it is the responsibility of the staff and community to ensure each child reaches his or her highest potential.

NPS has a variety of programs to meet the needs of students. Programs within the traditional school setting include those for students with special needs, English as a Second Language, Title I, and Gifted Education. Auxiliary facilities house programs for students who need an alternate educational setting as well as opportunities for trade and technical education. There are full-day kindergarten programs in all elementary schools. There are two early childhood centers for three and four year old children and pre-kindergarten programs in all elementary schools.

Legal Authorization

Pursuant to Virginia law, all school divisions are fiscally dependent on the local government. As a fiscally dependent school division, NPS does not levy taxes or issue debt. All funds are appropriated to Norfolk Public Schools by the Norfolk City Council, which has authority to tax and incur debt.

The School Board derives its authority from the Commonwealth and has the constitutional responsibility to provide public education to the residents of Norfolk.

School Funding

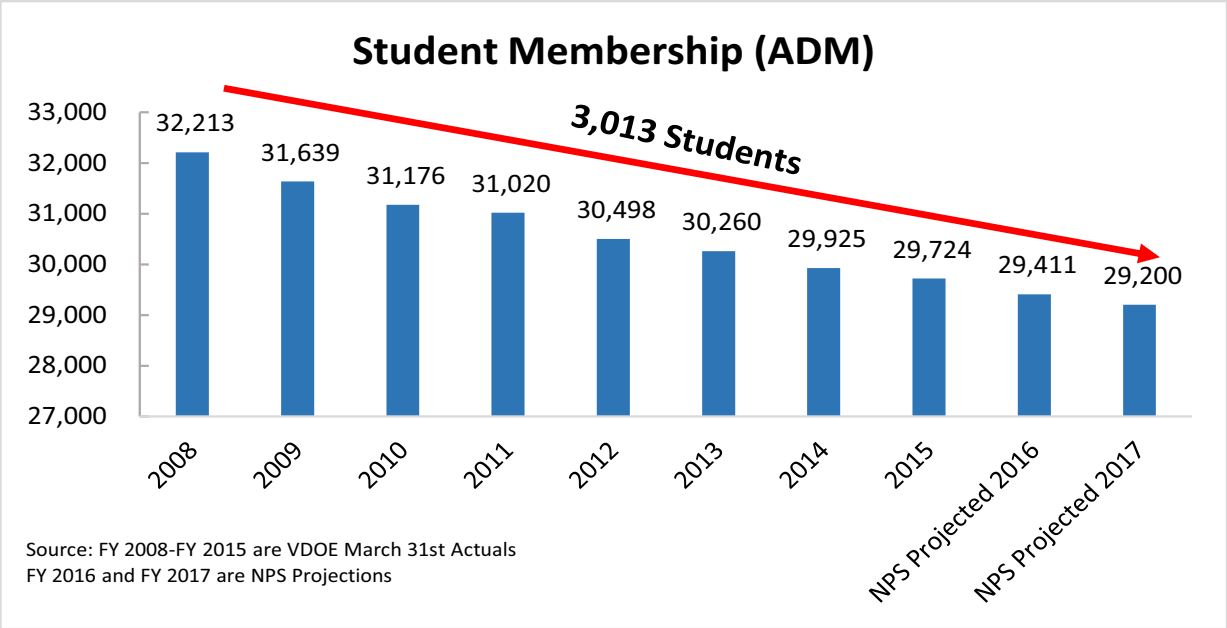
The division receives financial support from several sources:

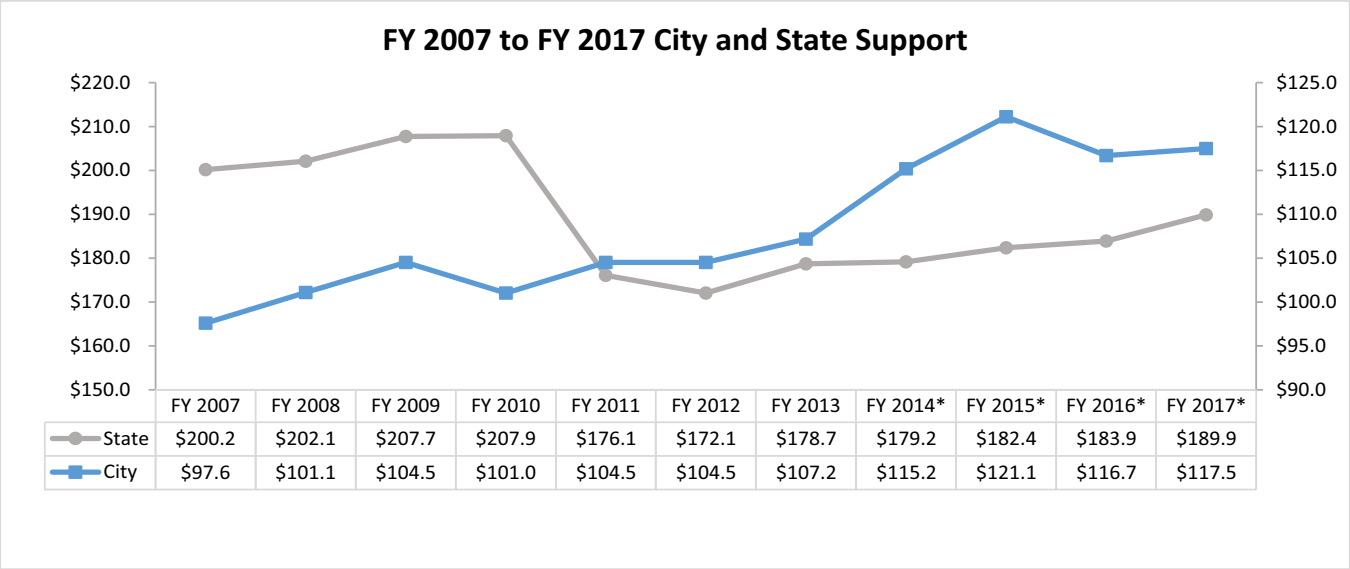
- Commonwealth of Virginia
- City of Norfolk
- Federal Government
- Local Fees and Revenues

Commonwealth of Virginia: Support for public schools is a shared cost between the Commonwealth of Virginia and localities. Article VIII, Section 2 of the Constitution of Virginia authorizes the General Assembly to determine the cost of education as prescribed by the Standards of Quality (SOQ) and to establish the cost share between state and local governments. Sales tax revenue is used to offset Basic Aid costs. In FY 2013, $1^1/_4$ cent of the Commonwealth's 5-cent sales and use tax was dedicated to public school funding. In FY 2014, sales and use tax increased in Norfolk to 6-cents due to the statewide transportation bill, and of this $1^3/_8$ cent is dedicated to public school funding.

The Standards of Quality (SOQ) prescribe the minimum standards of education for public school divisions. The standards are established in the Constitution of Virginia and defined in the Code of Virginia. Only the State Board of Education and the General Assembly can alter the standards. SOQ rebenchmarking is completed every two years and coincides with the beginning of the Commonwealth's biennial budget cycle. SOQ accounts represent about 85 percent of the total state funding for direct aid to public education. Localities may choose to spend more than the required amounts at their own discretion. School divisions may offer additional programs and employ additional staff beyond what is required by the SOQ at their own discretion.

Average Daily Membership (ADM) as of March 31st is the student enrollment count that drives most state funds for public education. The ADM is reported to the Virginia Department of Education (VDOE) twice a year, a projection in the fall and a final ADM in the spring. ADM is determined by the total days in membership for all students over the school year divided by the number of school days school was in session. NPS projects ADM to decline from 29,411 in FY 2016 to 29,200 in FY 2017, a decrease of 211 students. Since 2008, ADM has decreased by 3,013 students or 9.4 percent, while city support has increased. Pre-kindergarten is an optional program and not included in the ADM. As such, the numbers reflected do not include pre -kindergarten.



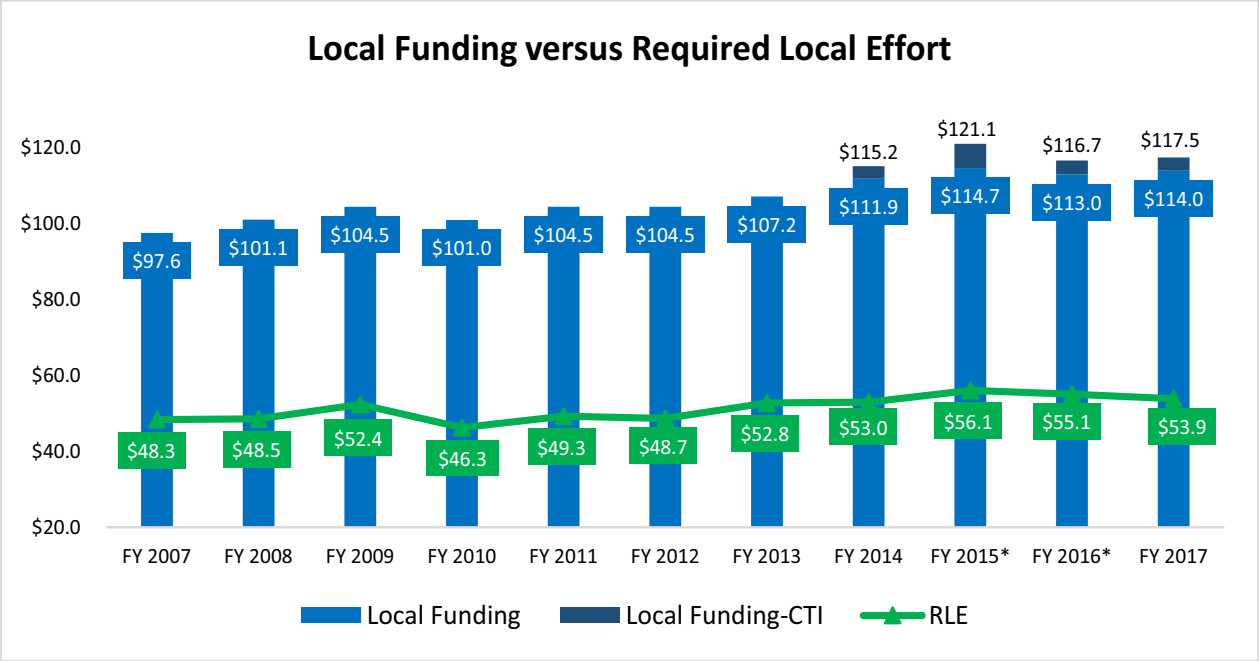


	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014*	FY 2015*	FY 2016*	FY 2017*
State	$200.2	$202.1	$207.7	$207.9	$176.1	$172.1	$178.7	$179.2	$182.4	$183.9	$189.9
City	$97.6	$101.1	$104.5	$101.0	$104.5	$104.5	$107.2	$115.2	$121.1	$116.7	$117.5

* Includes Construction, Technology, and Infrastructure (CTI) funding. FY 2016 and FY 2017 are budgeted amounts, all others are actuals.

City of Norfolk: Lifelong Learning is one of the six City Council priorities. The city provides funding for schools based on citywide needs. Identified needs by Norfolk Public Schools (NPS) are weighed against all other city needs. Even during the Great Recession as city support decreased for other priorities, city support did not wane for NPS. In contrast to the state, the city does not decrease its support when student enrollment declines. Student enrollment is projected to decline by 211 students in FY 2017, but the city support remains level. Since 2007, local support has increased by $19.9 million or 20.4 percent despite declining enrollment. This amount includes the Construction, Technology, and Infrastructure program (CTI).

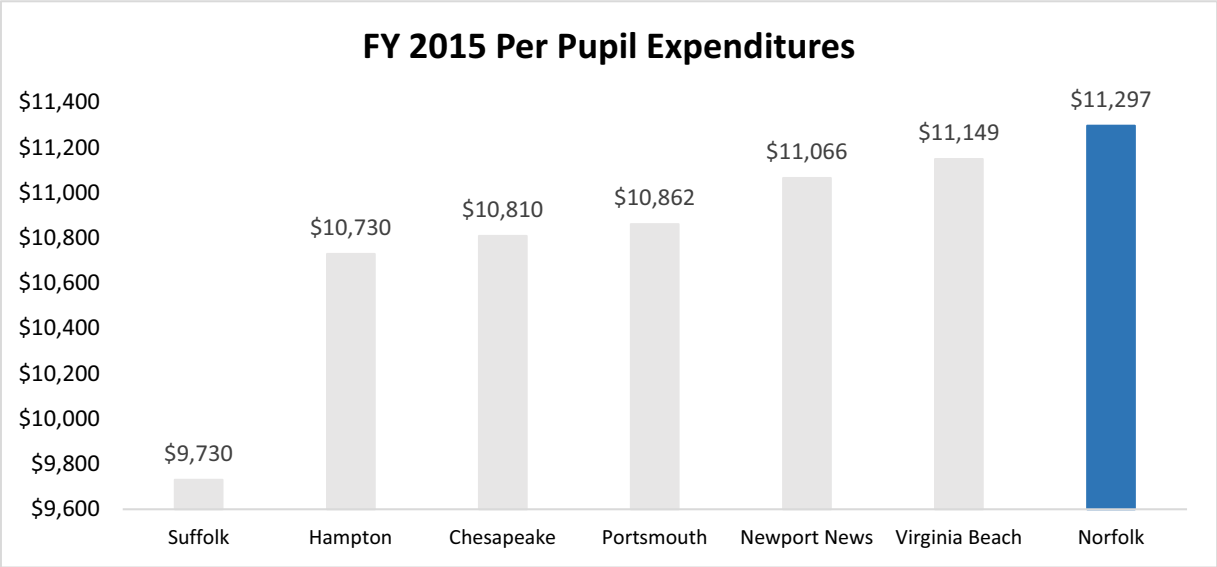
Local Composite Index: The Local Composite Index (LCI) was formulated by the state to measure a locality's ability to fund education. The LCI is calculated using three measures of the local tax base: true real estate values (50 percent of measure); adjusted gross income (40 percent of measure); and local taxable retail sales (10 percent of measure). LCI calculations for the 2016-2018 biennium are based on 2013 data from the Virginia Department of Taxation. Each of the local tax measures are combined with two per capita components: 2014 ADM and total population provided by the Weldon Cooper Center for Public Service. Each locality's ability to pay is evaluated relative to all other localities. Norfolk's LCI for FY 2017 is 0.2988, which means that the city's Required Local Effort (RLE) for SOQ programs is approximately 30 percent of the total cost of education for Norfolk. **The city consistently provides more than 100 percent of the required amount.**



*FY 2015 includes $3.0 million and FY 2016 includes $246,600 in CTI carryforward from FY 2014.

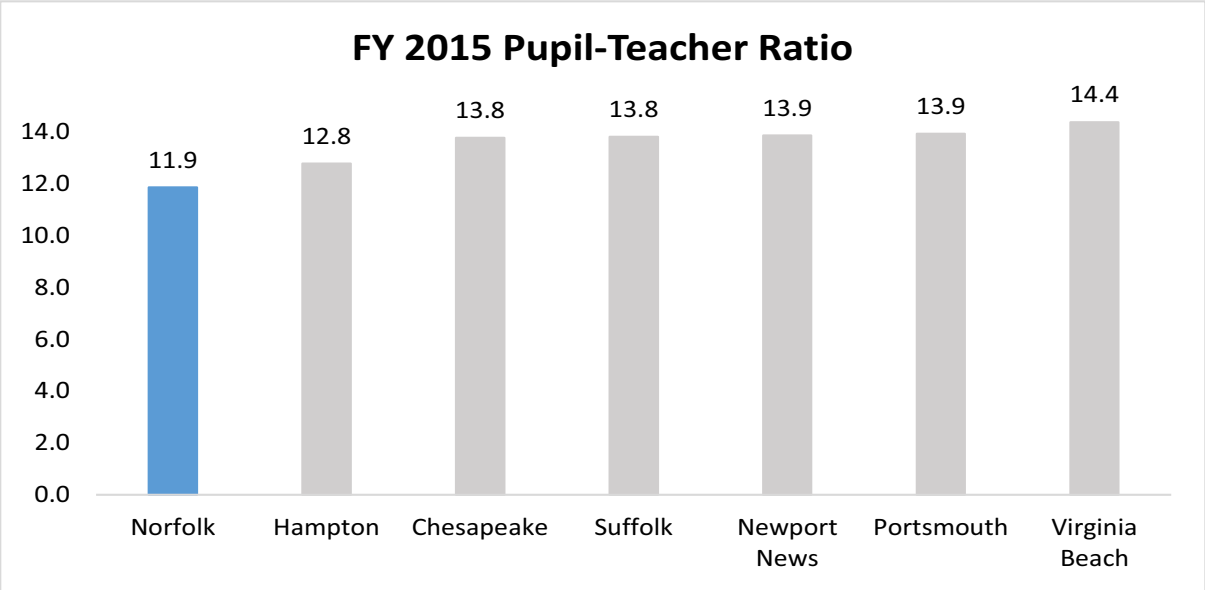
Additionally, the city provides support for NPS related to capital debt service, landscape maintenance, school resource officers, and other services valued at over $15 million in FY 2017. The city's FY 2017 - FY 2021 Capital Improvement Plan (CIP) continues the city's previous commitment of building six schools for $159 million. (Crossroads, Campostella, Richard H. Bowling, Jr, Ocean View, Larchmont, and Camp Allen).

Per Pupil Expenditure (PPE): PPE is the statistic that includes the amount of money put toward the general education for each student. The Superintendent's Annual Report for Virginia provides a yearly PPE for all school divisions in the Commonwealth. The report utilizes annual financial data submitted by school divisions. Since all school divisions submit this data, this report provides the best comparison of PPE across the state. The most recent report is for FY 2015 and **Norfolk Public Schools has the highest PPE in the region.**



Source: Virginia Department of Education, Annual School Report Financial Section

Pupil-Teacher Ratio: The Pupil-Teacher Ratio data is reported each year in the Superintendent's Annual report. For FY 2015, Norfolk has the lowest pupil teacher ratio in Hampton Roads. The data reflect a weighted average that account for elementary and secondary teachers at each division.



Source: Virginia Department of Education, Superintendent's Annual Report FY 2015

Starting Teacher Salaries: Starting teacher salaries (includes regular K-12, art, music, physical education, technology, remedial, gifted, mathematics, reading, special education, and ESL) are reported to the Virginia Department of Education by each division on an annual basis. For FY 2016, divisions reported the annual salary for three education levels. Norfolk Public Schools has the highest starting salary for both a Master's and Doctorate degree, and is above the regional average for all three education levels.

FY 2016 Starting Teacher Salaries

School Division	Bachelor's	Master's	Doctorate
Chesapeake	$41,560	$44,760	$47,960
Hampton	$40,500	$43,100	$45,100
Newport News	$41,500	$44,405	$47,568
Norfolk	$42,558	$45,956	$50,092
Portsmouth	$42,977	$45,477	$49,977
Suffolk	$39,290	$42,175	$44,441
Virginia Beach	$42,810	$45,310	$46,910
Regional Average	$41,599	$44,455	$47,435
Highest of Hampton Roads	**Portsmouth**	**Norfolk**	**Norfolk**

Source: Virginia Department of Education, 2015-2016 Teacher Salary Survey

Construction Technology and Infrastructure

Program Overview

The Construction, Technology and Infrastructure program funds one-time capital, technology, and infrastructure improvements for the school division. The program funds (in priority order) the debt service for school construction projects, technology to enhance learning within the classroom, and infrastructure needs. A dedicated two-cent real estate tax increase from July 1, 2013, supports the CTI. The tax increase accelerates the funding for school construction projects and frees up capacity to address infrastructure and neighborhood capital needs citywide. All funds raised from the two-cent tax increase are used solely for this program. This funding source has the potential to grow overtime as real estate values increase.

Dedicated Funding for FY 2017: $3,516,400

History of Funding

Prior CTI Funds	$10,156,700
FY 2017 CTI Funds	$3,516,400
Total CTI Funds Appropriated	$13,673,100

PERFORMANCE MEASURES

Norfolk Public Schools (NPS) FY 2017 Achievable Results (GOALS)

- NPS will implement, annually monitor, and refine the comprehensive plan for improving on-time graduation for students
- NPS will implement, annually monitor, and refine a system of support so that all schools are fully accredited as defined by the Virginia Department of Education (VDOE)
- NPS will improve the climate of support for the achievement of all students through staff, family, and community engagement

Priority: Lifelong Learning

Goal

Norfolk Public Schools (NPS) will implement, annually monitor, and refine a system of support so that all schools are fully accredited as defined by the Virginia Department of Education (VDOE)

Measure (As Reported by NPS)	FY 2014 Actual	FY 2015 Actual	FY 2016 State Benchmark	FY 2017 State Benchmark
Increase division level pass rates on SOLs (Standards of Learning)				
Grade 3 Reading	56	63	75	75
Grade 3 Mathematics	55	68	70	70
Grade 3 History and Social Science	77	*	-	-
Grade 3 Science	70	*	-	-
Grade 4 Reading	59	65	75	75
Grade 4 Mathematics	71	78	70	70
Grade 5 Reading	62	70	75	75
Grade 5 Writing	64	*	-	-
Grade 5 Math	62	75	70	70
Grade 5 Virginia Studies	73	82	70	70
Grade 5 Science	54	66	70	70
Grade 6 Reading	57	61	75	75
Grade 6 Mathematics	61	71	70	70
Grade 6 History: US History I	69	*	-	-
Grade 7 Reading	58	67	75	75
Grade 7 Mathematics	37	52	70	70
Grade 7 History: US History II	65	*	-	-

Measure (As Reported by NPS)	FY 2014 Actual	FY 2015 Actual	FY 2016 State Benchmark	FY 2017 State Benchmark
Grade 8 English	54	62	75	75
Grade 8 Writing	54	60	75	75
Grade 8 Mathematics	36	55	70	70
Grade 8 Civics and Economics	63	81	70	70
Grade 8 Science	56	66	70	70
End-of-Course English: Reading	86	85	75	75
End-of-Course English: Writing	81	79	75	75
End-of-Course Algebra I	77	80	70	70
End-of-Course Geometry	75	81	70	70
End-of-Course Algebra II	79	88	70	70
End-of-Course Virginia and US History	77	74	70	70
End-of-Course World History I	76	77	70	70
End-of-Course World History II	68	71	70	70
End-of-Course Earth Science	77	79	70	70
End-of-Course Biology	77	79	70	70
End-of-Course Chemistry	83	89	70	70
End-of-Course World Geography	97	96	70	70

* Denotes Virginia Department of Education discontinued tests.

PROPOSED FY 2017 BUDGET ACTIONS

- **Adjust support for Construction, Technology, and Infrastructure program** **$84,100**

  Adjust support for Construction, Technology, and Infrastructure (CTI) program based on an increase in assessments. The total amount, $3,516,400, in the Proposed FY 2017 will be used for debt service payments for the five schools under construction. The CTI program is designed to supplement the city's existing efforts for school construction and major maintenance.

- **Increase local support** **$1,500,000**

  Provide additional local funds to cover the local share of a two percent salary increase provided by the state effective on December 1, 2016.

- **Reappropriate NPS carryforward** **$1,149,274**

  Reapproriate NPS FY 2015 year-end balances for use in FY 2017. As a result, $1.1 million in unexpended funds are expected to be available for use in FY 2017.

- **Update SOQ and state support** **$5,982,511**

  Adjust support to NPS based on the 2016 - 2018 biennial budget adopted by the General Assembly. Standards of Quality (SOQ) rebenchmarking is completed every two years and coincides with the beginning of the Commonwealth's biennial budget cycle. The General Assembly's Adopted budget includes the following: technical updates to SOQ, incentive, and Lottery-funded programs; revisions to the employer rates for fringe benefit contributions paid into the Virgina Retirement System (VRS); the state's share of funding for a two percent salary increase on December 1, 2016 contingent on state revenue collections; an increase in the per pupil amount for the Virginia Preschool Initiative (VPI), and an adjustment to the At-Risk Add-On funding range. This update also includes funds related to Sales Tax receipts.

- **Remove appropriation for NPS carryforward** **($4,410,913)**

  Technical adjustment to remove one-time funding provided in FY 2016 for carryforward funds for Norfolk Public Schools (NPS). The removal of prior year non-recurring funds is a standard practice. This adjustment has been included in the School Board's Proposed FY 2017 Budget.

- **Remove one-time funding for CTI technology purchases** **($246,600)**

  Technical adjustment to remove one-time funding provided to NPS in FY 2016. The removal of prior year non-recurring funds is a standard practice. This adjustment has been included in the School Board's Proposed FY 2017 Budget.

- **Remove one-time funding for NPS** **($550,000)**

  Technical adjustment to remove one-time funding provided in FY 2016. Funding was intended for the following uses: $400,000 for operating support, $100,000 equipment at five high schools, and $50,000 for teacher stipends. The removal of prior year non-recurring funds is a standard practice. This adjustment has been included in the School Board's Proposed FY 2017 Budget.

Norfolk Public Schools **Total: $3,508,372**

Norfolk Public Schools Summary

The School Board issues a separate, detailed budget document which identifies grant revenues in addition to the School Operating Budget. The FY 2014 and FY 2015 Actual amounts are provided by NPS. The FY 2016 Approved amount is approved by City Council.

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Operating Revenue from the City	111,854,400	112,471,922	112,471,922	113,971,922
Construction, Technology, and Infrastructure				
Infrastructure and Technology to NPS	*0*	*0*	*1,500,000*	*0*
Debt Service	*89,000*	*3,388,800*	*1,932,300*	*3,516,400*
Unspent CTI Funds	*3,246,600*	*0*	*0*	*0*
Total CTI	**3,335,600**	**3,388,800**	**3,432,300**	**3,516,400**
Total ongoing support	**115,190,000**	**115,860,722**	**115,904,222**	**117,488,322**
One time support				
CTI carryforward to NPS for Infrastructure and Technology (from FY 2014 unspent CTI funds)	0	3,000,000	246,600	0
One-time support	0	2,250,000[1]	550,000	0
Subtotal one-time support	**0**	**5,250,000**	**796,600**	**0**
Total City Revenue	**115,190,000**	**121,110,722**	**116,700,822**	**117,488,322**
Revenue from Commonwealth	179,182,243	182,387,110	183,892,249	189,874,760
Revenue from Federal Funds	6,474,260	5,427,739	5,651,426	5,651,426
Revenue from Other Funds	2,679,021	2,738,357	4,023,361	4,023,361
NPS Carryforward	7,741,873	5,944,513	4,410,913	1,149,274
Subtotal State and Other	**196,077,397**	**196,497,718**	**197,977 949**	**200,698,821**
Total Operating Revenues	**311,267,397**	**317,608,440**	**314,678,771**	**318,187,143**
Total Grant Revenues and School Nutrition Funds	**46,996,944**	**52,456,931**	**53,199,148**	**56,549,805**
Total Revenues	**358,264,341**	**370,065,371**	**367,877,919**	**374,736,948**
Additional Services Provided[2] (see next page for details)	**16,566,061**	**15,861,956**	**15,667,784**	**15,305,626**
Grand Total Support Received	**374,830,402**	**385,927,327**	**383,545,703**	**390,042,574**

[1] Includes $750,000 in one-time amendment funds.

[2] Additional services exclude school construction and reflect the adjustment of School Crossing Guards in from NPD to NPS in FY 2015. These amounts are now included in Revenue from the City.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
School Operating Budget	303,056,986	314,068,803	314,678,771	318,187,143
Grants and Special Programs	29,796,941	34,851,813	35,051,149	37,984,805
Child Nutrition Services	16,879,066	16,739,504	18,148,000	18,565,000
Total Expenditures	**349,732,993**	**365,660,120**	**367,877,919**	**374,736,948**

Additional Services Provided to Norfolk Public Schools (Excluding School Construction)

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Debt Service for School Buses	92,706	123,650	298,383	356,300
Debt Service for School Construction and Maintenance Projects[1]	9,927,106	9,652,837	9,091,764	9,410,736
Facility Maintenance	1,266,200	1,311,410	1,300,000	1,300,000
Ground Maintenance	697,679	679,375	680,000	680,000
School Crossing Guards[2]	567,434	0	0	0
School Nurses[3]	467,299	258,000	0	0
School Resource Officers	547,637	536,684	547,637	558,590
Subtotal Other City Support	**13,566,061**	**12,561,956**	**11,917,784**	**12,305,626**
Ongoing School Maintenance	3,000,000	3,300,000	3,750,000[4]	3,000,000
Grand Total Additional Services Provided	**16,566,061**	**15,861,956**	**15,667,784**	**15,305,626**

In addition to the direct city support to Norfolk Public Schools, the city provides additional services (listed above) funded through city departments' budgets. Debt service for school construction and school buses are included in the city's Debt Service budget, School Resource Officers are included in the Police budget, Facility Maintenance is in the General Services budget, and Grounds Maintenance is in the Recreation, Parks and Open Space budget.

[1]In December, 2014, the city established a revolving line of credit (the "Line") to be used as low cost flexible interim financing. By matching borrowing to school construction, renovation, and maintenance costs the city has been able to reduce its short term debt service expenditures. Through utilization of the Line, the city has benefited from both low interest costs and better flexibility to time its long term debt issuance.

[2]In FY 2015, the school crossing guard program funds were transferred from Norfolk Police Department (NPD) to NPS.

[3]In FY 2013 approximately $1.5 million in city funds were transferred from the Norfolk Department of Public Health (NDPH) directly to Norfolk Public Schools (NPS) for school health services. In FY 2014, an additional $250,000 was transferred for a total of $1.79 million. In FY 2016, the three year transition period with NPS was completed.

[4] NPS received an additional $250,000 to address school maintenance in the FY 2016 Budget amendment.

School Operating Fund

Operating Revenues

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Revenue from Commonwealth				
Standards of Quality Funds				
Basic Aid	81,323,218	84,763,492	83,232,657	87,011,025
Textbook Payments	1,372,991	977,711	637,926	373,874
Vocational Education Standards of Quality (SOQ)	1,379,977	940,310	930,393	1,003,277
Gifted Education	947,447	960,751	950,619	982,802
Special Education SOQ	10,669,078	9,975,457	9,850,035	9,479,944
Prevention, Intervention and Remediation	4,902,009	5,846,272	5,784,620	6,183,462
Fringe Benefits	15,035,574	17,150,429	16,650,952	17,715,910
English as a Second Language (ESL)	0	0	0	628,967
Remedial Summer School[1]	655,487	1,128,231	1,124,026	830,827
Total Standards of Quality Funds	**116,285,781**	**121,742,653**	**119,156,228[2]**	**124,205,088[2]**
State Sales Taxes	30,701,766	31,992,590	32,325,750	33,211,659
Lottery Funded Programs	26,504,703	26,465,837	28,455,051	28,650,441
Other State Funds	5,689,993	2,186,030	3,955,220	3,807,572
Total from Commonwealth[1]	**179,182,243**	**182,387,110**	**183,892,249**	**189,874,760**
Total Federal	**6,474,260**	**5,427,739**	**5,651,426**	**5,651,426**
Total City Funds	**115,190,000**	**121,110,722**	**116,700,822**	**117,488,322**
Total Other Revenue	**2,679,021**	**2,738,357**	**4,023,361**	**4,023,361**
Total Carryforwards	**7,741,873**	**5,944,513**	**4,410,913**	**1,149,274**
Total Revenues	**311,267,397**	**317,608,441**	**314,678,771**	**318,187,143**

[1]Remedial Summer School moved back to Standards of Quality funds from Lottery Funds in FY 2013.

[2]The total Standards of Quality funds reflects the removal of $5,000. This is consistent with the NPS FY 2016 Approved and FY 2017 Proposed budgets.

Operating Expenditures

Expenditures	Positions FY 2016	Positions FY 2017	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Instructional Services	3,253	3,214	227,761,005	233,079,437	238,829,163	246,125,516
Central Administration	83	83	8,977,875	9,476,250	8,965,321	9,074,947
Student Attendance and Health	101	103	5,773,582	6,381,035	7,678,129	8,393,321
Pupil Transportation	271	271	11,781,560	11,905,064	12,173,141	13,547,998
Operations/ Maintenance	401	408	33,537,940	34,905,144	34,241,946	35,409,230
Community Services	0	0	0	797	0	0
Facility Improvements	0	0	1,956,270	2,252,367	1,330,800[1]	1,378,600[1]
Information Technology	63	63	9,933,154	12,680,709	9,527,971	10,265,267
School Operating Budget	**4,170**	**4,141**	**299,721,386**	**310,680,803**	**312,746,471**	**324,194,879**
Construction Technology and Infrastructure			**3,335,600**	**3,388,000**	**1,932,300**	**3,516,400**
Grand Total Operating and CTI			**303,056,986**	**314,068,803**	**314,678,771**	**327,711,279**
Difference from City Revenue						**-9,524,136**
Total Expenditures						**318,187,143**

[1] This amount differs from the NPS Approved FY 2016 and NPS Proposed FY 2017 budgets. The NPS budgets for facilities improvements includes CTI funds, which is shown in the Construction, Technology, and Infrastructure line.

School Grants

Grants and Special Programs Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Federal Grants	24,614,489	30,209,899	30,406,382	33,007,394
Commonwealth of Virginia Grants	4,953,708	4,212,146	4,219,606	4,400,811
Corporate and Foundation Awards	188,157	373,258	398,561	300,000
Other Grants	40,587	56,510	26,600	276,600
Total Grant Revenues	**29,796,941**	**34,851,813**	**35,051,149**	**37,984,805**

Grants and Special Programs Expenditure Summary

Federal Grants

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Compensatory Programs	15,793,393	19,631,270	19,274,373	19,274,373
Special Education	7,465,437	9,108,125	7,176,584	7,176,584
Career, Technical and Adult Education	926,634	815,646	1,113,601	1,113,601
Other Projects	429,025	654,857	2,841,824	5,442,836
Total Federal Grants	**24,614,489**	**30,209,898**	**30,406,382**	**33,007,394**

COMMONWEALTH OF VIRGINIA GRANTS

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Career, Technical and Adult Education	151,360	152,288	172,662	149,109
State Operated Facilities	3,673,573	3,050,575	3,256,518	3,256,518
Special Education	149,250	109,190	132,524	132,524
Virginia Technology Initiative	416,000	350,710	209,180	209,180
Other Grants	563,525	549,383	448,721	653,480
Total Commonwealth of Virginia	**4,953,708**	**4,212,146**	**4,219,605**	**4,400,811**

CORPORATE AND FOUNDATION AWARDS

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Corporate and Foundation Awards	188,157	373,258	398,561	300,000
Total Corporate and Foundation Awards	**188,157**	**373,258**	**398,561**	**300,000**

OTHER GRANTS

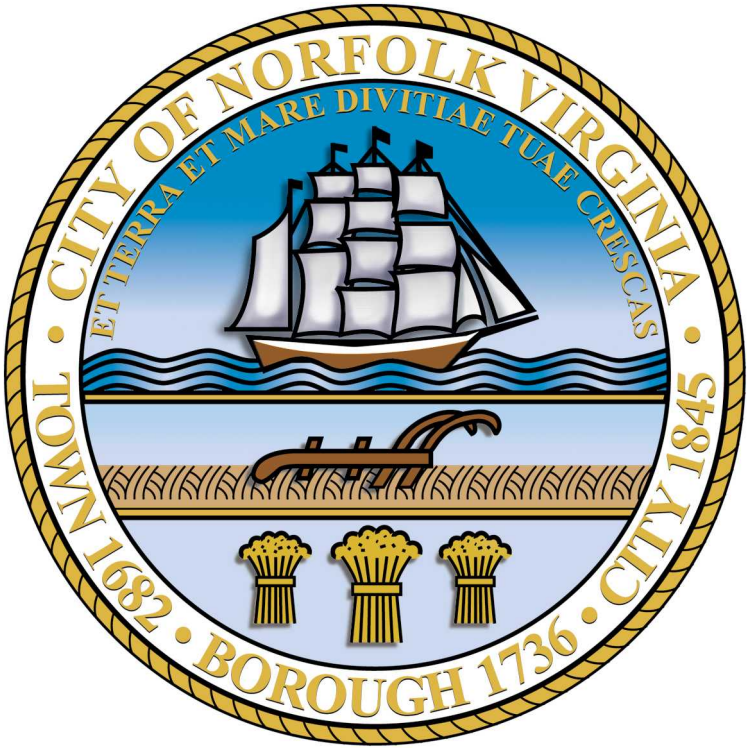
	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Other Grants	266,425	56,510	26,600	276,600
Total Other Grants	**266,425**	**56,510**	**26,600**	**276,600**
Total Grants and Special Programs	**29,796,941**	**34,851,813**	**35,051,148**	**37,984,805**

Child Nutrition Services

Revenues	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Sales	1,507,814	1,433,241	1,685,000	1,731,000
Federal and State Food Program Reimbursements	14,269,062	14,675,992	15,123,000	15,494,000
Federal Commodities Donated	1,330,495	1,409,789	1,200,000	1,241,073
Interest Earned	16,676	10,794	16,000	10,794
Other Revenue	75,956	75,302	124,000	88,133
Total Revenues	**17,200,003**	**17,605,118**	**18,148,000**	**18,565,000**

Expenditures	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Cost of Goods Sold	9,066,536	8,672,015	9,259,907	8,972,114
Employee Compensation	7,017,687	7,008,573	7,523,593	7,760,633
Maintenance Costs	336,403	293,126	657,000	743,275
Supplies and Materials	73,083	85,203	90,000	85,203
Cafeteria and Other Equipment	152,067	245,826	330,000	470,900
Other Costs	233,290	434,761	287,500	532,875
Total Expenditures	**16,879,066**	**16,739,504**	**18,148,000**	**18,565,000**
Excess of Revenues Over Expenditures	320,937	865,614	0	0
Fund Balance – Beginning of Year	5,998,527	6,319,464	7,185,078	7,185,078
Fund Balance – End of Year	**6,319,464**	**7,185,078**	**7,185,078**	**7,185,078**

Special Revenue Funds



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Special Revenue Fund Summary

	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Revenues			
General Property Taxes	3,338,300	4,984,100	5,384,000
Other Local Taxes	9,403,072	9,422,496	9,936,596
Fines and Forfeitures	15,075	24,000	22,000
Use of Money and Property	583,103	801,839	989,130
Charges for Services	37,846,973	38,950,464	39,667,477
Miscellaneous Revenue	674,869	435,050	563,717
Recovered Costs	2,176,252	2,114,536	2,131,000
Federal Aid	81,146	63,617	113,617
Other Sources and Transfers In	3,771,918	1,523,050	2,312,562
Total Revenues	**57,890,708**	**58,319,152**	**61,120,099**

Actual amounts represent collections, not appropriation authority.

	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Expenditures			
Personnel Services	16,705,778	17,866,318	18,647,226
Materials, Supplies and Repairs	5,080,307	5,609,267	6,391,134
Contractual Services	17,092,065	16,657,654	15,431,243
Equipment	1,833,257	1,618,519	2,286,125
Department Specific Appropriation	10,818,784	8,491,432	8,264,899
Debt Service/Transfers to CIP	7,506,447	8,075,962	10,099,472
Total Expenditures	**59,036,638**	**58,319,152**	**61,120,099**

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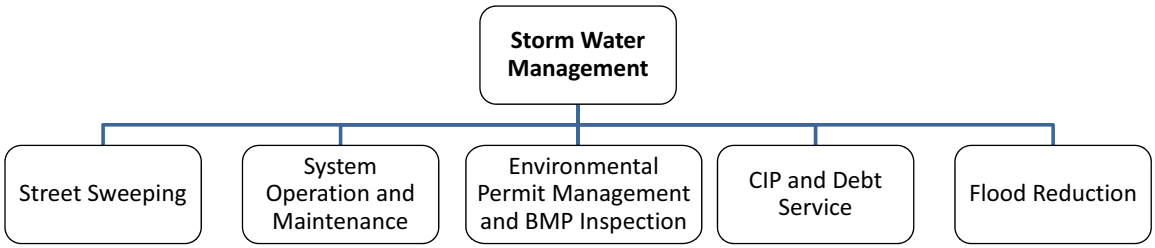
Storm Water Management

Mission Statement

As part of Public Works Operations, Storm Water Management strives to improve the quality of life of Norfolk's residents, business owners, and visitors by reducing pollutants in storm water runoff and minimizing property damage and inconvenience associated with flooding.

Department Overview

The Department of Storm Water Management focuses on five prominent categories of work: environmental permit management and regulatory compliance, CIP and debt service, flood reduction, system operation and maintenance, and street sweeping. Staff is comprised of professional engineers, environmentalists, and operations personnel that coordinate to meet the division's goals of reducing flooding and preventing pollution. The Department of Storm Water Management receives oversight from the Department of Public Works.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Ongoing Actions	Status
Implement a wide variety of projects and programs to mitigate impacts from coastal and precipitation flooding by addressing preventable contributors	Ongoing

Performance Measures

Priority: Environmental Sustainability					
Goal					
Enhance efficient use and protection of natural resources					
Objective					
Prevent pollutants and debris from entering the storm water system					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Miles of curb cleaned through street sweeping	46,553	41,098	50,000	50,000	0
Number of tons of debris removed by street sweeping	7,604	7,602	7,000	7,000	0

Priority: Environmental Sustainability					
Goal					
Reduce the negative impacts of flooding					
Objective					
Keep Norfolk's drain/storm water structures clean and free from debris					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of drain structures cleaned annually	94,430	7,027	7,000	7,000	0

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Use of Money and Property	$19,338	$7,781	$1,074	$565
Charges for Services	$14,675,197	$15,139,017	$15,580,772	$16,410,285
Miscellaneous Revenue	$0	$151,937	$28,000	$112,000
Recovered Costs	$94,933	$0	$0	$0
Other Sources and Transfers In	$0	$0	$0	$6,116
Federal Aid	$46,082	$13,063	$0	$0
Total	$14,835,550	$15,311,798	$15,609,846	$16,528,966

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$4,703,630	$4,915,999	$5,200,856	$5,710,046
Materials, Supplies and Repairs	$2,341,206	$2,302,862	$3,010,149	$3,819,961
Contractual Services	$2,179,794	$2,003,956	$1,636,746	$1,795,864
Equipment	$939,620	$1,263,860	$1,033,725	$474,725
Department Specific Appropriation	($10,790)	($35,749)	$0	$0
Debt Service/Transfers to CIP	$4,309,261	$4,598,837	$4,728,370	$4,728,370
Total	$14,462,721	$15,049,766	$15,609,846	$16,528,966

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$5,838,110	National Fish & Wildlife Foundation Green Infrastructure Plan and Watershed	0
		Virginia DEQ Stormwater Local Assistance (SLAF)	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $55,631 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Add Construction Inspector II position FY 2017 $66,548 FTE: 1**

  Provide funds for a Virginia Stormwater Management Program (VSMP) Construction Inspector II and a vehicle to oversee construction of water quality and flood reduction projects. New regulatory water quality mandates increase the number of inspections and oversight of the city's construction projects.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Provide funds for IMPACT Call Center** **FY 2017 $6,116** **FTE: 0**

  Provide funds for IMPACT Call Center services. The IMPACT Call Center processes calls, emails, and online contacts for the Department of Storm Water.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Enhance grants administration** **FY 2017 $57,300** **FTE: 1.2**

  Provide funds for a Management Analyst II position and to reclassify an Administrative Technician position. The Management Analyst II and Administrative Technician positions will oversee grant reporting and management as a result of rising workload.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Purchase Storm Water rod machine** **FY 2017 $40,000** **FTE: 0**

  Provide one-time funds to purchase a rod machine to clean out storm water pipes. The additional rod machine allows operation crews to operate more effectively during storms and help free blockages caused by flooding.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Purchase Storm Water trailer** **FY 2017 $3,000** **FTE: 0**

  Provide one-time funds to purchase an enclosed clean up kit trailer to prevent hydraulic system fluid spills from entering the storm water system.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Add Engineering Technician I** **FY 2017 $36,744** **FTE: 1**

  Add an Engineering Technician I position to perform preventative maintenance inspections of the city's storm water infrastructure as a result of more stringent environmental regulatory requirements.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust financial management software cost** **FY 2017 $29,914** **FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust operational expenses** **FY 2017 $87,264** **FTE: 0**

  Technical adjustment to provide funds for operational expenses which occurs annually. These expenses include vehicle maintenance, fuel, indirect costs, and materials and supplies for operations.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust time and attendance monitoring software costs** **FY 2017 ($236)** **FTE: 0**

  Remove a portion of funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping devices. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Remove one-time funds for vehicle purchase** **FY 2017 ($20,000)** **FTE: 0**

  Remove one-time funds provided in FY 2016 for the purchase of a pick-up truck.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 $240,872** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $121,480** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $49,898** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $144,589** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Storm Water Management **Total: $919,120** **FTE: 3.2**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	1	0	1
Accounting Supervisor	1 14	$51,000	$84,354	1	0	1
Accounting Technician II	1 07	$28,815	$47,022	2	0	2
Administrative Analyst	1 13	$46,885	$76,449	1	-1	0
Administrative Assistant II	1 10	$36,605	$59,690	1	1	2
Administrative Technician	1 07	$28,815	$47,022	1.8	0.2	2
Automotive Service Attendant	1 08	$31,180	$50,847	1	0	1
Civil Engineer II	1 14	$51,000	$84,354	2	0	2
Civil Engineer III	1 15	$55,210	$90,270	3	0	3
Collection Coordinator	1 11	$40,005	$65,280	1	0	1
Construction Inspector I	1 08	$31,180	$50,847	2	-2	0
Construction Inspector II	1 08	$40,005	$65,280	2	3	5
Crew Leader I	1 08	$31,180	$50,847	9	0	9
Engineering Technician I	1 10	$36,605	$59,690	1	1	2
Engineering Technician II	1 11	$40,005	$65,280	2	0	2
Environmental Engineer	1 14	$51,000	$84,354	2	0	2
Environmental Specialist II	1 11	$40,005	$65,280	1	0	1
Equipment Operator II	1 06	$26,900	$43,860	14	-1	13
Equipment Operator III	1 07	$28,815	$47,022	15	1	16
Equipment Operator IV	1 08	$31,180	$50,847	1	0	1
Geographic Information Systems Technician I	1 09	$33,770	$55,060	1	0	1
Landscape Coordinator I	1 11	$40,005	$65,280	1	0	1
Maintenance Mechanic II	1 07	$28,815	$47,022	2	0	2
Maintenance Worker I	1 03	$21,222	$34,609	13	0	13
Maintenance Worker II	1 06	$26,900	$43,860	4	0	4
Management Analyst II	1 13	$46,885	$76,449	0	1	1
Manager of Budget & Accounting	1 18	$67,350	$109,823	1	0	1
Manager of Environmental Protection Programs	1 20	$76,000	$123,930	1	0	1
Program Administrator	1 13	$46,885	$76,449	1	0	1
Programs Manager	1 15	$55,210	$90,270	1	0	1
Public Information Specialist II	1 11	$40,005	$65,280	1	-1	0
Public Relations Specialist	1 12	$43,470	$70,890	1	0	1
Public Services Coordinator	1 11	$40,005	$65,280	1	1	2
Recycling Coordinator	1 14	$51,000	$84,354	1	0	1

FULL TIME EQUIVALENT (FTE) SUMMARY

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Senior Design/Construction Project Manager	1 16	$58,970	$96,145	1	0	1
Senior Utility Maintenance Supervisor	1 13	$46,885	$76,449	2	0	2
Storekeeper II	1 06	$26,900	$43,860	1	0	1
Storm Water Assistant Superintendent	1 14	$51,000	$84,354	1	0	1
Storm Water Engineer	1 19	$71,500	$116,280	1	0	1
Storm Water Operations Manager	1 15	$55,210	$90,270	1	0	1
Utility Maintenance Mechanic I	1 06	$26,900	$43,860	1	0	1
Utility Maintenance Mechanic II	1 08	$31,180	$50,847	1	0	1
Utility Maintenance Supervisor	1 10	$36,605	$59,690	4	0	4
Total				105.8	3.2	109

Towing and Recovery Operations

Mission Statement

Towing and Recovery Operations strives to improve neighborhood livability by providing reliable dispatching of towing services, storage of vehicles, and recovery or disposal of vehicles.

Department Overview

Towing and Recovery Operations has nine employees who respond to all towing requests from the city and state agencies. The division dispatches towing providers, sends written notification to owners and lien holders, disposes of all vehicles, and maintains records of all tows and final disposition of vehicles. Customer service is provided 24 hours a day, seven days a week. The Department of Towing and Recovery Operations receives oversight from the Department of Public Works.

Actions to Achieve Long-Term Goals and Short-Term Objectives

Ongoing Actions	Status
Enhance the safety of the city by removing abandoned vehicles	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Provide a safe environment for residents, visitors, and workers					
Objective					
Keep the city's streets free from nuisance and abandoned vehicles					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of nuisance vehicles removed	292	316	252	252	0
Number of abandoned vehicles removed	503	435	484	484	0
Total dollar value of towing fees collected	399,559	367,810	433,820	433,820	0

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Use of Money and Property	$582,650	$563,993	$775,565	$969,565
Charges for Services	$582,764	$654,878	$840,000	$761,400
Miscellaneous Revenue	$0	$1,816	$0	$0
Recovered Costs	$88,192	$94,396	$86,400	$19,000
Total	$1,253,606	$1,315,083	$1,701,965	$1,749,965

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$535,984	$518,407	$637,652	$659,672
Materials, Supplies and Repairs	$49,695	$76,060	$34,254	$24,450
Contractual Services	$692,014	$678,788	$846,989	$882,773
Equipment	$3,799	$0	$10,000	$10,000
Debt Service/Transfers to CIP	$53,704	$206,471	$173,070	$173,070
Total	$1,335,196	$1,479,725	$1,701,965	$1,749,965

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $4,847 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust financial management software cost FY 2017 ($7,428) FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust operational expenses FY 2017 $35,784 FTE: 0**

  Technical adjustment to provide funds for operational expenses which occur annually. These expenses include vehicle maintenance, fuel, indirect costs, and materials and supplies for operations.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust time and attendance monitoring software costs FY 2017 $106 FTE: 0**

  Adjust funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping devices. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 ($2,482)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $5,556** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $11,046** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $571** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Towing and Recovery Operations **Total: $48,000** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	1	0	1
Accounting Technician II	1 07	$28,815	$47,022	5.9	-1	4.9
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Equipment Operator II	1 06	$26,900	$43,860	1	0	1
Support Technician	1 05	$24,685	$40,290	0	1	1
Towing Operations Manager	1 15	$55,210	$90,270	1	0	1
Total				9.9	0	9.9

Cemeteries

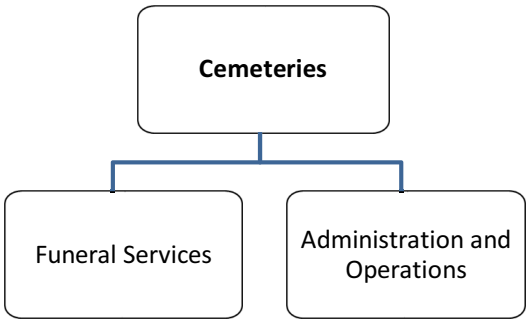
Mission Statement

The Bureau of Cemeteries provides cemetery services and preservation of family histories while maintaining and enhancing the natural beauty of the eight city-owned and operated cemeteries.

Department Overview

The Bureau of Cemeteries receives management oversight from the Department of Recreation, Parks and Open Space and consists of the Division of Funeral Services. The Division of Funeral Services provides both professional funeral services, which meet the needs of customers in a sensitive and courteous manner, and a grounds maintenance program.

The Bureau of Cemeteries operates an efficient grounds maintenance program through reliance on a mixture of contracts, seasonal labor, and a permanent workforce. The Bureau of Cemeteries maintains approximately 354 acres of developed cemetery properties; and anticipates servicing 833 funerals, installing over 496 foundations for memorials, and selling 401 graves annually, as well as providing revenue to the Cemetery Endowed Care Fund.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Bureau of Cemeteries primarily supports the priority areas of Accessibility, Mobility, and Connectivity; Safe, Healthy, and Inclusive Communities; and Lifelong Learning. Actions in place to achieve the long-term goals of providing a web-based program to allow access to cemetery records; providing competent, courteous, and compassionate service to residents in a timely and professional manner; enhancing awareness among residents of the history of Norfolk's cemeteries, while raising funds for cemetery restoration; and maintaining city cemeteries on a 12-14 working day or less mowing cycle include:

Ongoing Actions	Status
Provide Norfolk historic cemeteries cultural resource management presentations to civic leagues, garden clubs, community organizations, nonprofit organizations, groups of college students, private school children, and cemetery tours groups	Ongoing
Provide a web-based internet system for all eight municipal cemeteries	Ongoing
Maintain and enhance the aesthetic quality of the city's cemeteries	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Enhance the vitality and aesthetic beauty of Norfolk's neighborhoods, roadway medians, parks, public grounds, and tree canopy					
Objective					
Maintain city cemeteries on a 12 to 14 working day or less mowing cycle					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of residents/visitors rating aesthetic quality of cemeteries as good or excellent (New measure for 2017)	0	0	0	80	80
Percent of cemetery grounds mowed on a 12 to 14 working days or less cycle	80	80	80	80	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Enhance awareness among residents of the history of Norfolk's cemeteries while raising funds for cemetery restoration					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of educational sessions held to inform residents of the history of Norfolk's cemeteries	51	157	56	57	1
Number of participants for educational sessions (New measure for FY 2017)	0	0	0	1,000	1,000

Priority: Accessibility, Mobility and Connectivity					
Goal					
Increase access to city services and information					
Objective					
Provide a web based program to allow access to cemetery records					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of Cemetery website page views (Began tracking in FY 2015)	0	5,479	6,000	6,000	0
Objective					
Provide competent, courteous, and compassionate service to citizens in a timely and professional manner					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent rating Cemeteries customer service as excellent or good (New measure for 2017)	0	0	0	90	90
Number of funerals for which services are provided by Cemeteries	830	754	835	835	0

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Charges for Services	$861,374	$851,351	$869,192	$835,292
Miscellaneous Revenue	$380,802	$401,318	$407,050	$451,717
Recovered Costs	$300,000	$300,000	$300,000	$300,000
Other Sources and Transfers In	$861,183	$450,153	$517,245	$506,207
Total	$2,403,359	$2,002,822	$2,093,487	$2,093,216

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$1,617,111	$1,604,045	$1,780,331	$1,792,582
Materials, Supplies and Repairs	$230,035	$240,880	$231,583	$222,005
Contractual Services	$52,521	$56,074	$46,649	$46,649
Equipment	$28,793	$94,245	$30,374	$27,430
Department Specific Appropriation	$5,035	$1,922	$4,550	$4,550
Total	$1,933,495	$1,997,165	$2,093,487	$2,093,216

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $11,607 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Reduce discretionary expenditures FY 2017 ($5,172) FTE: 0**

  Reduce discretionary expenditures for supplies and equipment. This action aligns the department budget with anticipated utilization. No impact on service delivery is anticipated.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust time and attendance monitoring software costs FY 2017 ($860) FTE: 0**

  Remove a portion of funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping devices. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Well-Managed Government

- **Adjust financial management software cost** **FY 2017 ($1,724)** **FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across all financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Well-Managed Government

- **Adjust costs for Fleet expenditures** **FY 2017 ($4,766)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $14,435** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 ($16,458)** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 $2,667** **FTE: -1**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the addition of an Operations Manager. The update also includes the deletion of an Equipment Operator III and a Grounds Keeper Crew Leader during FY 2016. These are routine actions which occur at the beginning of the budget cycle.

Cemeteries **Total: ($271)** **FTE: -1**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accounting Technician II	1 07	$28,815	$47,022	1	0	1
Administrative Technician	1 07	$28,815	$47,022	1	0	1
Bureau Manager	1 18	$67,350	$109,823	1	0	1
Cemetery Manager I	1 06	$26,900	$43,860	2	-1	1
Cemetery Manager II	1 09	$33,770	$55,060	3	1	4
Division Head	1 16	$58,970	$96,145	1	0	1
Equipment Operator II	1 06	$26,900	$43,860	6	0	6
Equipment Operator III	1 07	$28,815	$47,022	4	-1	3
Groundskeeper	1 04	$22,875	$37,301	9	0	9
Groundskeeper Crew Leader	1 09	$33,770	$55,060	2	-1	1
Maintenance Supervisor II	1 12	$43,470	$70,890	2	0	2
Operations Manager	1 14	$51,000	$84,354	0	1	1
Public Information Specialist II	1 11	$40,005	$65,280	1	0	1
Support Technician	1 05	$24,685	$40,290	0.8	0	0.8
Total				33.8	-1	32.8

Golf Operations

Mission Statement

Golf Operations supports the exceptional quality of life in Norfolk by providing access to two golf courses; Ocean View Golf Course and Lambert's Point Golf Course.

Department Overview

The Golf Fund consists of two golf courses, which are managed and staffed by an outside vendor. The lease agreement ensures the delivery of a high quality golf experience with no assistance from the General Fund; ensures the maintenance of golf facilities; and supports capital improvements. The Golf Fund has no city employees.

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Use of Money and Property	$80,000	$7,218	$15,000	$15,000
Charges for Services	$897,271	$116,948	$0	$0
Other Sources and Transfers In	$0	$309,048	$0	$0
Total	$977,271	$433,213	$15,000	$15,000

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Materials, Supplies and Repairs	$120,971	$25,911	$6,000	$6,000
Contractual Services	$1,337,224	$403,907	$9,000	$9,000
Total	$1,458,195	$429,818	$15,000	$15,000

Public Amenities

Mission Statement

The mission of the Public Amenities Fund is to promote cultural and entertainment activity in the downtown area by improving existing and preparing for new downtown civic facilities.

Department Overview

As Norfolk continues to grow as a tourist and visitor destination, physical improvements to existing cultural and entertainment facilities and planning and preparation for new venues are needed. In FY 2003, the city raised the hotel tax from 7.0 percent to 8.0 percent and the food and beverage tax from 5.5 percent to 6.5 percent. The revenues generated by the increase are set aside in the Public Amenities Fund as a means of providing financial resources to improve public amenities and cultural facilities, increase tourism, and attract visitors to the city. Beginning in FY 2017, Public Amenities will support the five-year Property Improvement Plan commitment for the Marriott Convention Center. Also, the General Fund will begin receiving support from the Public Amenities Fund for the Norfolk Consortium supported in the Outside Agencies section. The agencies that may receive the support include: The National Maritime Center (Nauticus); MacArthur Memorial Foundation; Virginia Zoo; Department of Cultural Facilities, Arts and Entertainment; Norfolk Commission on the Arts and Humanities; Chrysler Museum of Art; Norfolk Botanical Gardens; Visit Norfolk (formerly Norfolk Convention and Visitors Bureau); Norfolk Festevents; Norfolk NATO Festival; Virginia Symphony; Virginia Arts Festival; Virginia Stage Company; and Virginia Opera. The remaining funds and accrued escrow will be set aside to support the Conference Center project and pay the Conference Center debt service.

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Other Local Taxes	$5,541,243	$5,831,476	$5,850,900	$6,365,000
Total	$5,541,243	$5,831,476	$5,850,900	$6,365,000

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Transfer to CIP Program	$1,500,000	$1,000,000	$1,000,000	$1,000,000
Debt Service (Conference Center)	$890,406	$876,186	$1,002,422	$1,677,717
Department Specific Appropriation:				
Conference Center	$3,150,837	$5,924,587	$3,848,478	$1,103,950
Marriott Convention Center	$0	$0	$0	$583,333
Transfer to General Fund	$0	$0	$0	$2,000,000
Total	$5,541,243	$7,800,773	$5,850,900	$6,365,000

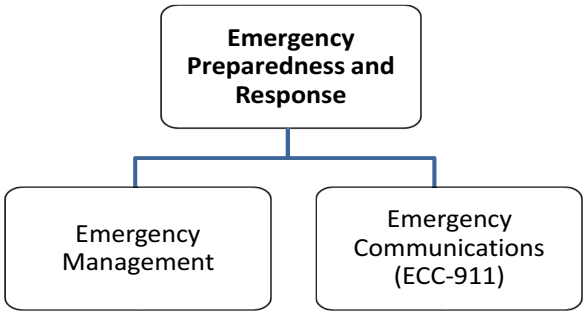
Emergency Preparedness and Response

Mission Statement

Emergency Preparedness and Response supports the Vision for Norfolk of a CITY PREPARED with coordinated capabilities to prevent, protect against, respond to, and recover from all hazards in a way that balances risk with resources and needs.

Department Overview

The Office of Emergency Preparedness and Response is comprised of four teams and two mission areas. Team One consists of executive, technical, and administrative staff in support of emergency communications as well as emergency management. The majority of staff are distributed over three remaining teams serving the community by ensuring emergency communications (911 call taking and dispatching) is achieved twenty-four hours a day, seven days a week.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Emergency Preparedness and Response primarily supports the Priority Areas of Safe, Healthy, and Inclusive Communities; Environmental Sustainability; and Well-Managed Government. Actions in place to achieve the long term goal of providing a safe environment for residents, workers, and visitors include:

Ongoing Actions	Status
Engage in public outreach to increase the subscriber base of current alert notification system (Nixle)	Ongoing
Assist residents in obtaining grant funding for remediation of flood prone properties	Ongoing
Engage in public outreach to increase the knowledge base of residents regarding potential and actual natural events	Ongoing
Respond to 911 calls in a timely manner to enhance the likelihood of positive incident outcomes	Ongoing

Performance Measures

Priority: Safe, Healthy, and Inclusive Communities					
Goal					
Provide a safe environment for residents, workers, and visitors					
Objective					
Improve and enhance disaster awareness and planning					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of visitors to Emergency Preparedness & Response website	21,091	17,940	21,000	22,000	1,000
Number of community outreach events held (New measure in FY 2017)	0	0	0	100	100
Number of participants in Emergency Preparedness and Response community outreach events-inclusive of civic leagues and school groups (New measure in FY 2017)	0	0	0	60,000	60,000
Percent of outreach event participants citing increased knowledge and awareness of emergency preparedness topics (New measure in FY 2017)	0	0	0	80	80
Number of subscribers to current alert notification system (Nixle)	2,620	2,883	3,500	5,000	1,500
Objective					
Increase neighborhood safety by providing effective and efficient call triage for incoming 911 requests for emergency assistance					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Total number of dispatched events (New measure in FY 2017)	0	0	0	300,000	300,000
Number of valid (non-misdialed) 911 calls answered (New measure in FY 2017)	0	0	0	200,000	200,000
Percent of 911 calls responded to within 10 seconds	100	0	96	97	1

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of programs and services					
Objective					
Enhance services provided by the department through volunteerism and/or additional/alternative funding streams					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Dollar value of general grants secured by Emergency Preparedness and Response to provide and enhance department services (New measure in FY 2017)	0	0	0	200,000	200,000
Number of CERT volunteer hours-inclusive of outreach and trainings (New measure in FY 2017)	0	0	0	TBD	TBD

Priority: Environmental Sustainability					
Goal					
Reduce the negative impacts of flooding					
Objective					
Enhance services provided by the department through volunteerism and/or additional/alternative funding streams					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Dollar value of grants secured by Emergency Preparedness and Response for flood-prone property mitigation (New measure in FY 2017)	0	0	0	1,000,000	1,000,000

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Other Local Taxes	$3,571,596	$3,571,596	$3,571,596	$3,571,596
Charges for Services	$2,054	$2,266	$4,500	$4,500
Recovered Costs	$1,327,663	$1,361,916	$1,308,136	$1,392,000
Other Sources and Transfers In	$925,859	$811,727	$1,004,005	$1,106,921
Federal Aid	$129,208	$68,083	$63,617	$113,617
Total	$5,956,380	$5,815,587	$5,951,854	$6,188,634

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$5,199,476	$5,140,168	$5,291,028	$5,394,682
Materials, Supplies and Repairs	$242,213	$252,942	$264,489	$257,665
Contractual Services	$446,667	$327,195	$392,517	$532,467
Equipment	$474	$0	$3,820	$3,820
Total	$5,888,830	$5,720,304	$5,951,854	$6,188,634

Estimated Appropriation for Special Revenue Summary

The following special revenue summary includes additional funds received by the department through grants, donations, and dedicated state and federal appropriations. Funds are generally multi-year appropriations and may continue from one fiscal year to another. Monies are dedicated to specific activities and/or functions and are nontransferable. Grants are not guaranteed annually. Amounts represented were available as of March 2016.

	Dollars	Source	Pos #
Special Revenue (for example: Grants, Revenue Sharing, Donations)	$3,222,604	Emergency Management Performance Grant	0
		Floodproofing Projects	
		Severe Repetitive Loss Elevation Project	
		SHSP Community Sheltering Enhancement	

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $35,017 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Fund wireless telephone cost increase FY 2017 $33,385 FTE: 0**

  Technical adjustment to provide funds for 911 telephone payments due to an increase in Verizon application fees. Emergency Operations Centers began experiencing a monthly increase for 911 telephone service costs in March 2015.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Fund maintenance cost for voice logging system FY 2017 $36,565 FTE: 0**

  Technical adjustment to provide funds to continue hardware, software, and application support for the voice logging system. This system records radio, data, and voice communications within the Emergency Communications Center.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Extend system support for 911 call handling equipment** **FY 2017 $70,000** **FTE: 0**

  Technical adjustment to extend system maintenance and support for the 911 call handling equipment (CHE). The current contract is set to expire in July 2016 but can be extended for an additional year.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust financial management software cost** **FY 2017 ($3,646)** **FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day-to-day business activities. The software uses pre-defined controls, and consistent accounting rules across all financial transactions; tracks and controls, funds; and interfaces with the performance budgeting system.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust time and attendance monitoring software costs** **FY 2017 ($2,100)** **FTE: 0**

  Remove a portion of funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping devices. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Reduce personnel expenditures** **FY 2017 ($10,040)** **FTE: 0**

  Capture personnel savings to align with actual expenditures, resulting from high turnover of Public Safety Telecommunicator positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 ($1,078)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $38,818** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $20,351** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $19,508** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Emergency Preparedness and Response **Total: $236,780** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant I	1 09	$33,770	$55,060	0	1	1
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Chief Training Officer-CES	1 12	$43,470	$70,890	1	0	1
Director of the Office of Emergency Preparedness & Response	1 24	$92,800	$159,120	1	0	1
Manager of Emergency Communications	1 16	$58,970	$96,145	1	0	1
Program Supervisor	1 13	$46,885	$76,449	0	1	1
Programs Manager	1 15	$55,210	$90,270	0	1	1
Project Manager	1 14	$51,000	$84,354	2	0	2
Public Safety Telecommunicator I	1 08	$31,180	$50,847	3	2	5
Public Safety Telecommunicator II	1 09	$33,770	$55,060	52	2	54
Public Safety Telecommunicator III	1 12	$43,470	$70,890	9	0	9
Public Safety Telecommunicator Trainee	1 06	$26,900	$43,860	19	-7	12
Software Analyst	1 13	$46,885	$76,449	1	0	1
Total				90	0	90

Tax Increment Financing

Mission Statement

Provide funds to pay the debt service associated with financing the infrastructure improvements related to the Housing Opportunities for People Everywhere (HOPE VI) project in the Broad Creek Renaissance District.

Department Overview

The city established a Tax Increment Financing (TIF) district encompassing the Broad Creek Renaissance District. The Broad Creek TIF Fund accounts for the real estate tax revenue attributed to the increase in assessed value of real property in the Broad Creek TIF district from the base assessed value as of January 1, 2003. The revenue are used to pay the debt service associated with the city's HOPE VI project related to infrastructure improvements in the Broad Creek Renaissance District, that was originally financed with a Section 108 loan from the Department of Housing and Urban Development (HUD), but subsequently refinanced in FY 2012 with tax-exempt General Obligation Bonds. Excess revenues, to the extent they are available, may be transferred to the General Fund. The TIF Fund has no employees.

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
General Property Taxes	$2,455,700	$3,338,300	$4,984,100	$5,384,000
Miscellaneous Revenue	$0	$119,639	$0	$0
Other Sources and Transfers In	$0	$2,200,990	$0	$119,639
Total	$2,455,700	$5,658,929	$4,984,100	$5,503,639

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Transfer to General Fund	$0	$4,928,024	$4,088,404	$3,985,591
Debt Service/Transfers to CIP	$635,620	$611,266	$895,696	$1,518,048
Total	$635,620	$5,539,290	$4,984,100	$5,503,639

Waste Management

Mission Statement

The Waste Management Division of Public Works proudly serves City of Norfolk Waste Management customers by providing them with a myriad of programs and services that effectively and efficiently manage municipal solid waste generated within the City of Norfolk.

Department Overview

Waste Management was converted to a self-supporting special revenue fund in the FY 2015 budget. This conversion exemplifies the city's goal of becoming a well-managed organization. By transferring Waste Management to a special revenue fund, the operation performs as a self-supporting program. User fees collected from residents and businesses fund the cost of the operation. Waste Management focuses on protecting the public health and safety of the City of Norfolk by providing quality municipal solid waste services and environmental programs that are safe, efficient, cost effective, and environmentally responsible. Waste Management provides weekly garbage, yard waste, and bulk waste pickup for Norfolk residents and daily garbage pickup for some downtown businesses. In addition, residents can drop off household hazardous waste and electronic waste at the Waste Management facility, six days a week, at no charge. The Department of Waste Management receives oversight from the Department of Public Works.

Actions to Achieve Long-Term Goals and Short-Term Objectives

The department of Waste Management primarily supports the city priority areas of Lifelong Learning and Environmental Sustainability through the following actions:

Ongoing Actions	Status
Focus on increasing tonnage of curbside recycling, which will help protect natural resources and reduce disposal costs	Ongoing

Performance Measures

Priority: Lifelong Learning

Goal

Achieve a well-trained, qualified community workforce

Objective

Increase vocational and technical skills training opportunities for Norfolk residents within areas identified in the community workforce plan

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of participants in Waste Management driver training	10	5	10	10	0

Priority: Lifelong Learning					
Goal					
Increase accessibility to lifelong learning					
Objective					
Network and identify opportunities for partnership among the city, local educational institutions, and businesses and community resources that will promote and expand lifelong learning					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Number of participants in Recycling Perks program	7,500	34,551	8,800	8,800	0
Number of businesses participating in Recycling Perks program	0	433	350	350	0

Priority: Environmental Sustainability					
Goal					
Enhance efficient use and protection of natural resources					
Objective					
Reduce and recycle waste					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Tons of curbside recycling collected (Objective: Increase)	10,500	10,884	12,500	12,500	0
Percent of total refuse collected that is recycled (The state mandate is 25%.)	35	19	21	21	0

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Fines and Forfeitures	$0	$15,075	$24,000	$22,000
Use of Money and Property	$0	$4,111	$10,200	$4,000
Charges for Services	$0	$21,082,513	$21,656,000	$21,656,000
Miscellaneous Revenue	$0	$159	$0	$0
Recovered Costs	$0	$419,940	$420,000	$420,000
Other Sources and Transfers In	$0	$0	$1,800	$573,679
Total	$0	$21,521,798	$22,112,000	$22,675,679

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$0	$4,527,159	$4,956,451	$5,090,244
Materials, Supplies and Repairs	$0	$2,181,652	$2,062,792	$2,061,053
Contractual Services	$0	$13,622,145	$13,725,753	$12,164,490
Equipment	$0	$475,152	$540,600	$1,770,150
Department Specific Appropriation	$0	$0	$550,000	$587,475
Debt Service/Transfers to CIP	$0	$213,687	$276,404	$1,002,267
Total	$0	$21,019,795	$22,112,000	$22,675,679

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $32,283 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Environmental Sustainability

- **Adjust funds for IMPACT Call Center FY 2017 $210,157 FTE: 0**

  Adjust funds for IMPACT Call Center services based on utilization. The IMPACT Call Center currently processes calls, emails, and online contacts for the Department of Waste Management.

  Priority Area(s) Met: Environmental Sustainability

- **Adjust financial management software cost FY 2017 ($6,819) FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Well-Managed Government

- **Adjust operational expenses FY 2017 $224,218 FTE: 0**

  Technical adjustment to provide funds for operational expenses which occur annually. These expenses include vehicle maintenance, fuel, indirect costs, and materials and supplies for operations.

  Priority Area(s) Met: Environmental Sustainability

- **Adjust costs for Fleet expenditures FY 2017 $2,330 FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Environmental Sustainability

- **Annualize Phase II of ARMD compensation strategy FY 2017 $41,938 FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Environmental Sustainability

- **Adjust required contribution to the city's retirement system FY 2017 $12,134 FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Environmental Sustainability

- **Update personnel expenditures FY 2017 $47,438 FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Waste Management Total: $563,679 FTE: 0

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accounting Technician II	1 07	$28,815	$47,022	2	0	2
Administrative Technician	1 07	$28,815	$47,022	1	0	1
Assistant Superintendent of Waste Management	1 16	$58,970	$96,145	2	0	2
Automotive Mechanic	1 10	$36,605	$59,690	2	0	2
Financial Operations Manager	1 15	$55,210	$90,270	1	0	1
Fleet Coordinator	1 11	$40,005	$65,280	1	0	1
Maintenance Worker I	1 03	$21,222	$34,609	1	0	1
Management Analyst I	1 11	$40,005	$65,280	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Operations Manager	1 14	$51,000	$84,354	1	0	1
Refuse Collection Supervisor	1 09	$33,770	$55,060	5	0	5
Refuse Collector Assistant	1 04	$22,875	$37,301	2	0	2
Refuse Collector, Lead	1 07	$28,815	$47,022	5	0	5
Refuse Collector, Senior	1 06	$26,900	$43,860	67	-1	66
Refuse Inspector	1 08	$31,180	$50,847	6	1	7
Safety Specialist	1 11	$40,005	$65,280	1	0	1
Superintendent of Waste Management	1 19	$71,500	$116,280	1	0	1
Support Technician	1 05	$24,685	$40,290	2	0	2
Total				101	0	101

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Enterprise Funds

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Enterprise Fund Summary

	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Revenues			
Permits and Fees	1,454,614	666,100	673,845
Fines and Forfeitures	2,531,254	2,000,000	2,507,343
Use of Money and Property	1,939,506	340,000	304,639
Charges for Services	128,377,828	126,504,351	132,240,707
Miscellaneous Revenue	2,955,156	135,000	188,381
Recovered Costs	1,348,039	1,341,600	1,341,600
Other Sources and Transfers In	(10,541)	2,709,656	779,883
Totals	**138,595,856**	**133,696,707**	**138,036,398**

	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Expenditures			
Personnel Services	25,786,273	27,114,222	28,004,556
Materials, Supplies and Repairs	15,484,641	15,569,037	15,652,503
Contractual Services	14,333,478	15,176,658	15,917,954
Equipment	769,962	869,947	762,671
Department Specific Appropriation	9,224,888	17,443,481	19,989,413
Debt Service/Transfers to CIP	24,787,382	57,523,362	57,709,301
Total	**90,386,624**	**133,696,707**	**138,036,398**

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UTILITIES

MISSION STATEMENT

The mission of the Department of Utilities is to enhance quality of life by providing excellent and sustainable water and wastewater services at the best possible value to residents and customers.

DEPARTMENT OVERVIEW

The Department of Utilities is responsible for the operation of two enterprise funds, the Water Fund and the Wastewater Fund. The department, which is comprised of seven divisions in addition to the Director's Office, is organized as follows:

Water Production: Responsible for the operation and maintenance of the water treatment plants and finished water storage facilities; maintains raw and finished water pump stations and raw water transmission mains; and manages city owned reservoirs and adjacent watershed properties.

Water Quality: Ensures the provision of high quality, safe, clean drinking water through compliance monitoring, testing, analysis, and backflow prevention.

Wastewater: Maintains and operates the sanitary sewer system that takes wastewater away from Norfolk homes, businesses, and facilities, and conveys it to treatment plants that are operated by the Hampton Roads Sanitation District (HRSD).

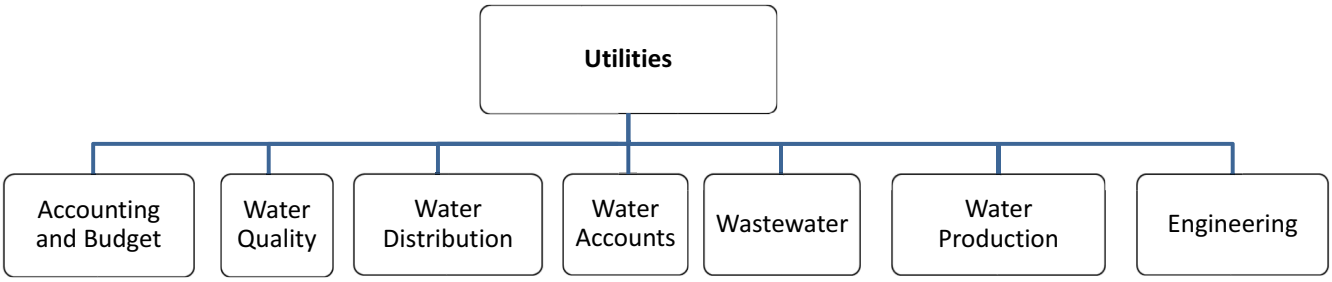
Water Distribution: Responsible for the maintenance and operation of over 800 miles of water mains. Repairs, replaces and installs fire hydrants, meters and valves and detects and repairs leaks in the distribution system. Provides routine flushing of water mains and the installation of service main extensions.

Water Accounts: Provides billing, collections, and response to users of Norfolk's utility system.

Engineering: Plans, designs, and manages water and sewer system improvements and expansions. Responsible for overall construction oversight and project management. Prevents damage to water and sewer infrastructure by marking underground utilities. Manages the department's Capital Improvement Program and documentation for the maintenance and construction of the city's water and wastewater infrastructure.

Accounting and Budget: Responsible for the administration of the department's finance and accounting operations including the budget, accounts payable, payroll, financial reporting, contract compliance, bond issuance, capital project financing and rate setting.

Director's Office: Provides administrative, leadership and management services to the department. Provides support services such as: human resources; public relations; communications; performance tracking; grants administration; and legislative review.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The City of Norfolk Department of Utilities is a premier service provider that meets customer needs for affordable, dependable, and high quality drinking water and wastewater services. The department primarily supports the Priority Areas of Safe, Healthy and Inclusive Communities; Economic Vitality and Workforce Development; Environmental Sustainability; and Well-Managed Government. Actions in place to achieve these long-term goals include:

Ongoing Actions	Status
Track current and future water demand projections at the water treatment plants and monitor per-capita water consumption region-wide	Ongoing
Survey the water distribution system for leaks and replace problematic and aging water mains to maintain and improve the water distribution system and, ultimately, provide safe healthy drinking water to customers	Ongoing
Clean ten percent of the wastewater collection system piping per year to provide environmentally friendly and dependable services to residents and businesses	Ongoing
Produce high quality drinking water by maintaining 100% compliance with the Safe Drinking Water Act and by inspecting water resources properties and facilities	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Expand, attract, and retain businesses within Norfolk					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Linear feet of wastewater system cleaned per year	1,368,566	1,171,115	1,200,000	1,200,000	0

Priority: Safe, Healthy, and Inclusive Communities
Goal
Create a culture that promotes health, engages in prevention, and supports the economic and social well being of individuals and families through the provision of an array of programs and services
Objective
Ensure a sufficient supply of safe drinking water that meets customer's needs, provides fire protection, and promotes economic growth

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Average daily drinking water for all retail and wholesale customer needs-in millions of gallons per day/MGD	58	59	62	62	0

Priority: Safe, Healthy, and Inclusive Communities
Goal
Enhance the vitality of Norfolk's neighborhoods
Objective
Maintain the integrity of the water distribution system by staying under the national median rate of 37.8 water main breaks per 100 miles of water distribution system piping

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed	Change
Number of water main breaks per 100 miles of water distribution system piping	28	22	29	29	0

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Permits and Fees	$1,404,372	$1,361,614	$583,100	$583,100
Use of Money and Property	$235,675	$193,926	$260,000	$232,000
Charges for Services	$79,223,455	$83,147,731	$80,559,069	$81,997,036
Miscellaneous Revenue	$107,787	$2,954,389	$135,000	$186,900
Recovered Costs	$4,040,869	$1,183,635	$1,338,000	$1,338,000
Other Sources and Transfers In	($59,209)	($10,541)	$5,400	$17,995
Federal Aid	($72,036)	$0	$0	$0
Total	$84,880,913	$88,830,753	$82,880,569	$84,355,031

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$17,300,550	$17,085,349	$17,908,751	$18,518,267
Materials, Supplies and Repairs	$11,088,611	$10,951,214	$11,020,790	$10,958,740
Contractual Services	$8,916,500	$8,296,076	$8,928,969	$9,431,090
Equipment	$396,512	$509,995	$364,846	$285,970
Department Specific Appropriation	$7,805,988	$7,724,888	$14,812,713	$15,533,906
Debt Service/Transfers to CIP	$15,650,608	$14,547,182	$29,844,500	$29,627,058
Total	$61,158,769	$59,114,705	$82,880,569	$84,355,031

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $127,239 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust funds for IMPACT Call Center FY 2017 $12,595 FTE: 0**

  Adjust funds for IMPACT Call Center services based on utilization. The IMPACT Call Center currently processes calls, emails, and online contacts for the Department of Utilities.

  Priority Area(s) Met: Well-Managed Government

- **Adjust costs for storehouse rent FY 2017 $51,900 FTE: 0**

  Technical adjustment to provide funds for the rent of the city's Hollister Storehouse Facility. In FY 2014, the Storehouse operations were decentralized to improve efficiency and provide departments greater autonomy in managing resources. The Storehouse rent will increase annually at a rate of three percent.

  Priority Area(s) Met: Well-Managed Government

- **Adjust debt service payments FY 2017 $5,418,841 FTE: 0**

  Technical adjustment to support annual debt service payments for water related capital improvement projects.

  Priority Area(s) Met: Well-Managed Government

- **Adjust discretionary expenditures FY 2017 $48,125 FTE: 0**

  Capture efficiency savings by utilizing temporary services, reducing professional services, curtailing power usage, utilizing electronic distribution, and implementing technology improvements. This action maintains or improves the efficiency and effectiveness of service delivery.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust financial management software cost** **FY 2017 $98,257** **FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Well-Managed Government

- **Adjust operational expenses** **FY 2017 ($4,272,849)** **FTE: 0**

  Technical adjustment for operational expenses which occur annually. These expenses include indirect costs, payment in lieu of taxes, and material and supplies for essential operations.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust time and attendance monitoring software costs** **FY 2017 ($13,117)** **FTE: 0**

  Remove a portion of funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping devices. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Capture efficiency savings** **FY 2017 ($277,726)** **FTE: 0**

  Capture savings through lower Hampton Roads Sanitation District (HRSD) rates and legal fees, continuation of the power usage curtailment program, and efficient selection of equipment vendors.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust costs for Fleet expenditures** **FY 2017 ($79,790)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $181,961** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $172,546** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Update personnel expenditures** **FY 2017 $6,480** **FTE: 1.3**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment, the addition of a Construction Inspector II, and an increase in part-time hours. These are routine actions which occur at the beginning of the budget cycle.

Water **Total: $1,474,462** **FTE: 1.3**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant I	1 11	$40,005	$65,280	2	1	3
Accountant II	1 12	$43,470	$70,890	1	-1	0
Accountant III	1 13	$46,885	$76,449	0	1	1
Accountant IV	1 14	$51,000	$84,354	1	0	1
Accounting Manager	1 16	$63,000	$102,816	1	0	1
Accounting Technician II	1 07	$28,815	$47,022	19.5	-2	17.5
Administrative Assistant I	1 09	$33,770	$55,060	2	1	3
Administrative Assistant II	1 10	$36,605	$59,690	3	0	3
Administrative Technician	1 07	$28,815	$47,022	0	1	1
Applications Development Team Supervisor	1 17	$63,000	$102,816	1	0	1
Assistant City Engineer	1 19	$71,500	$116,280	1	0	1
Assistant Director	1 21	$79,375	$132,090	2	0	2
Assistant Superintendent of Utility Division	1 17	$63,000	$102,816	4	0	4
Automotive Mechanic	1 10	$36,605	$59,690	1	0	1
Business Manager	1 13	$46,885	$76,449	1	0	1
Chief of Construction Operations	1 16	$58,970	$96,145	1	0	1
Chief Waterworks Operator	1 13	$46,885	$76,449	8	0	8
Civil Engineer I	1 13	$46,885	$76,449	3	1	4
Civil Engineer II	1 14	$51,000	$84,354	3	0	3
Civil Engineer III	1 15	$55,210	$90,270	3	0	3
Civil Engineer IV	1 16	$58,970	$96,145	1.8	0.3	2

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Civil Engineer V	1 17	$63,000	$102,816	1	0	1
Collection Coordinator	1 11	$40,005	$65,280	2	0	2
Construction Inspector I	1 08	$31,180	$50,847	4	0	4
Construction Inspector II	1 08	$40,005	$65,280	6	0	6
Construction Inspector III	1 12	$43,470	$70,890	2	0	2
Contract Monitoring Specialist	1 11	$40,005	$65,280	1	0	1
Crew Leader I	1 08	$31,180	$50,847	11	0	11
Cross-Connection Specialist	1 08	$31,180	$50,847	2	0	2
Customer Service Manager	1 18	$67,350	$109,823	1	0	1
Director of Utilities	1 24	$92,800	$159,120	1	0	1
Electrician III	1 10	$36,605	$59,690	3	0	3
Electronics Technician II	1 10	$36,605	$59,690	4	0	4
Engineering Aide	1 04	$22,875	$37,301	1	0	1
Engineering Manager	1 20	$76,000	$123,930	1	0	1
Engineering Technician I	1 10	$36,605	$59,690	6	0	6
Engineering Technician II	1 11	$40,005	$65,280	4	0	4
Engineering Technician III	1 11	$43,470	$70,890	1	0	1
Engineering Technician IV	1 13	$46,885	$76,449	1	0	1
Enterprise Controller	1 16	$58,970	$96,145	1	0	1
Equipment Operator II	1 06	$26,900	$43,860	12	-1	11
Equipment Operator III	1 07	$28,815	$47,022	9	2	11
Financial Operations Manager	1 15	$55,210	$90,270	1	0	1
General Utility Maintenance Supervisor	1 14	$51,000	$84,354	8	-1	7
Geographic Information Systems Technician II	1 11	$40,005	$65,280	1	0	1
Maintenance Supervisor II	1 12	$43,470	$70,890	1	0	1
Maintenance Worker I	1 03	$21,222	$34,609	6	0	6
Maintenance Worker II	1 06	$26,900	$43,860	27	0	27
Management Analyst I	1 11	$40,005	$65,280	1	0	1
Management Services Administrator	1 18	$67,350	$109,823	1	0	1
Manager of Budget & Accounting	1 18	$67,350	$109,823	1	0	1
Messenger/Driver	1 02	$19,705	$32,135	1	0	1
Personnel Specialist	1 11	$40,005	$65,280	1	0	1
Programmer/Analyst III	1 13	$46,885	$76,449	1	0	1
Programmer/Analyst IV	1 14	$51,000	$84,354	2	0	2
Programmer/Analyst V	1 16	$58,970	$96,145	1	0	1
Programs Manager	1 15	$55,210	$90,270	1	0	1
Project Coordinator	1 13	$46,885	$76,449	1	-1	0
Public Information Specialist II	1 11	$40,005	$65,280	1	0	1
Reservoir Manager	1 12	$43,470	$70,890	1	0	1

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Safety Specialist	1 11	$40,005	$65,280	1	0	1
Senior Utility Maintenance Supervisor	1 13	$46,885	$76,449	6	2	8
Senior Water Chemist	1 12	$43,470	$70,890	3	0	3
Staff Technician II	1 09	$33,770	$55,060	3	0	3
Storekeeper I	1 04	$22,875	$37,301	1	0	1
Storekeeper II	1 06	$26,900	$43,860	2	0	2
Storekeeper III	1 08	$31,180	$50,847	2	0	2
Support Technician	1 05	$24,685	$40,290	3	0	3
Utility Construction Inspector	1 10	$36,605	$59,690	1	0	1
Utility Maintenance Mechanic I	1 06	$26,900	$43,860	28	0	28
Utility Maintenance Mechanic II	1 08	$31,180	$50,847	3	0	3
Utility Maintenance Supervisor	1 10	$36,605	$59,690	10	-1	9
Utility Operations Manager	1 19	$71,500	$116,280	1	0	1
Water Chemist	1 11	$40,005	$65,280	3	0	3
Water Production Manager	1 19	$71,500	$116,280	1	0	1
Water Quality Manager	1 18	$67,350	$109,823	2	0	2
Water Treatment Plant Maintenance Technician	1 08	$31,180	$50,847	13	-1	12
Water Treatment Supervisor	1 15	$55,210	$90,270	2	0	2
Waterworks Operator I	1 08	$31,180	$50,847	6	-2	4
Waterworks Operator II	1 09	$33,770	$55,060	1	1	2
Waterworks Operator III	1 10	$36,605	$59,690	0	1	1
Waterworks Operator IV	1 11	$40,005	$65,280	9	0	9
Total				291.3	1.3	292.5

WASTEWATER

REVENUE SUMMARY

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Permits and Fees	$97,000	$93,000	$50,000	$50,000
Use of Money and Property	$35,426	$16,768	$30,000	$30,000
Charges for Services	$27,258,137	$28,242,513	$29,335,892	$30,722,691
Recovered Costs	$353,833	$164,404	$3,600	$3,600
Other Sources and Transfers In	$0	$0	$2,000	$2,000
Federal Aid	($81,891)	$0	$0	$0
Total	$27,662,505	$28,516,686	$29,421,492	$30,808,291

Actual amounts represent collections, not appropriation authority.

EXPENDITURE SUMMARY

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$5,687,764	$5,432,704	$5,647,699	$5,827,947
Materials, Supplies and Repairs	$2,741,849	$2,981,083	$2,874,412	$3,031,220
Contractual Services	$2,084,322	$1,993,646	$2,020,312	$2,087,898
Equipment	$305,574	$196,131	$384,101	$311,101
Department Specific Appropriation	$1,500,000	$1,500,000	$2,630,768	$4,455,507
Debt Service/Transfers to CIP	$4,021,973	$1,619,033	$15,864,200	$15,094,618
Total	$16,341,482	$13,722,597	$29,421,492	$30,808,291

PROPOSED FY 2017 BUDGET ACTIONS

- **Implement Phase III of ARMD compensation strategy FY 2017 $45,207 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust debt service payments FY 2017 $1,228,900 FTE: 0**

  Technical adjustment to support annual debt service payments for wastewater related capital improvement projects.

  Priority Area(s) Met: Well-Managed Government

- **Adjust financial management software cost** **FY 2017 ($6,846)** **FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust operational expenses** **FY 2017 ($186,628)** **FTE: 0**

  Routine technical adjustment for operational expenses which occurs annually. These expenses may include indirect costs, payment in lieu of taxes, and material and supplies for essential operations.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust time and attendance monitoring software costs** **FY 2017 ($1,181)** **FTE: 0**

  Remove a portion of funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping devices. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Capture efficiency savings** **FY 2017 ($75,000)** **FTE: 0**

  Capture savings by requesting equipment replacement funds through the capital improvement program.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Reduce discretionary expenditures** **FY 2017 $16,277** **FTE: 0**

  Capture efficiency savings by utilizing temporary services, reducing professional services, curtailing power usage, utilizing electronic distribution, and establishing technology improvements. This action maintains or improves the efficiency and effectiveness of service delivery.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust costs for Fleet expenditures** **FY 2017 $156,029** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $69,712** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $61,573** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $3,756** **FTE: -1**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment and the deletion of an Assistant Superintendent of Utility Division. These are routine actions which occur at the beginning of the budget cycle.

Wastewater **Total: $1,311,799** **FTE: -1**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accounting Technician II	1 07	$28,815	$47,022	3	0	3
Assistant Superintendent of Utility Division	1 17	$63,000	$102,816	2	-1	1
Crew Leader I	1 08	$31,180	$50,847	15	0	15
Electrician IV	1 11	$40,005	$65,280	1	0	1
Engineering Technician I	1 10	$36,605	$59,690	3	0	3
Environmental Specialist II	1 11	$40,005	$65,280	1	0	1
Equipment Operator II	1 06	$26,900	$43,860	6	0	6
Equipment Operator III	1 07	$28,815	$47,022	19	0	19
General Utility Maintenance Supervisor	1 14	$51,000	$84,354	2	0	2
Maintenance Worker I	1 03	$21,222	$34,609	3	0	3
Maintenance Worker II	1 06	$26,900	$43,860	27	0	27
Senior Custodian	1 04	$22,875	$37,301	1	0	1
Senior Utility Maintenance Supervisor	1 13	$46,885	$76,449	5	0	5
Utility Maintenance Mechanic I	1 06	$26,900	$43,860	7	0	7
Utility Maintenance Supervisor	1 10	$36,605	$59,690	10	0	10
Water Chemist	1 11	$40,005	$65,280	1	0	1
Total				106	-1	105

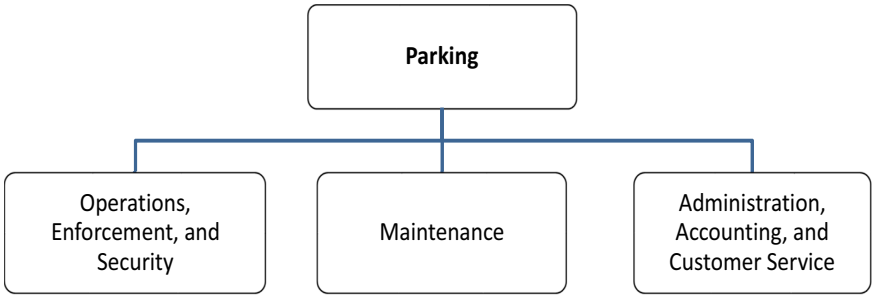
Parking Facilities Fund

Mission Statement

The Division of Parking is dedicated to excellence in providing safe, convenient, and affordable parking services to the residents, visitors, and businesses in Norfolk.

Department Overview

The City of Norfolk's Parking Division operates and maintains one of the largest municipally owned parking systems in the country while meeting the parking needs of downtown workers, residents, students, shoppers, and tourists. This includes over 20,000 public parking spaces located in 16 garages, nine lots, and over 600 on-street spaces. Safe, convenient and affordable parking is provided to all patrons through the efficient management of the city's parking resources. The Parking Facilities Fund receives oversight from the Department of General Services.



Actions to Achieve Long-Term Goals and Short-Term Objectives

The Parking Facilities Fund supports the Priority Areas of Economic Vitality and Workforce Development and Well-Managed Government. Parking's long-term goals are achieved by strong financial management, available parking assets (for example, garages and lots), and innovative customer programs. Specific actions undertaken to achieve long-term goals include:

Ongoing Actions	Status
Maximize utilization of available parking to increase revenue	Ongoing
Improve parking services and infrastructure to enhance the customer experience	Ongoing

Performance Measures

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Promote strong financial management by ensuring revenue is maximized in order to meet all operating obligations					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of fines collected	101	98	100	100	0
Percent of total available monthly parking spaces utilized	0	0	0	50	50
Objective					
Expand, attract and retain businesses within Norfolk					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Total parking revenue	0	0	0	21,200,000	21,200,000
Number of transient (non-monthly) parkers in garages (New measure in FY 2017)	0	0	0	2,350,000	2,350,000
Number of parking violation tickets issued	52,693	43,593	44,200	43,300	-900

Priority: Well-Managed Government					
Goal					
Achieve a reputation internally and externally as a well-managed government					
Objective					
Attract and retain businesses within Norfolk by ensuring all parking facilities are accessible, clean, safe and inviting					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of customers who rate parking services as meeting or exceeding expectations	55	61	58	60	2

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Permits and Fees	$0	$0	$33,000	$40,745
Fines and Forfeitures	$2,607,036	$2,531,254	$2,000,000	$2,507,343
Use of Money and Property	$388,760	$1,728,812	$50,000	$42,639
Charges for Services	$17,624,326	$16,987,584	$16,609,390	$19,520,980
Miscellaneous Revenue	$221	$767	$0	$1,481
Other Sources and Transfers In	$0	$0	$2,702,256	$759,888
Total	$20,620,343	$21,248,417	$21,394,646	$22,873,076

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$3,793,305	$3,268,220	$3,557,772	$3,658,342
Materials, Supplies and Repairs	$1,568,968	$1,552,344	$1,673,835	$1,662,543
Contractual Services	$4,542,766	$4,043,756	$4,227,377	$4,398,966
Equipment	$28,032	$63,836	$121,000	$165,600
Department Specific Appropriation	$7,322	$0	$0	$0
Debt Service/Transfers to CIP	$5,516,109	$8,621,167	$11,814,662	$12,987,625
Total	$15,456,502	$17,549,323	$21,394,646	$22,873,076

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $25,384 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Increase funds for contractual services FY 2017 $188,372 FTE: 0**

  Technical adjustment for contractual services which occur annually. These contractual increases include service to parking equipment, co-op garage costs, and credit card processing fees.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Reduce electricity utilization FY 2017 ($41,545) FTE: 0**

  Technical adjustment to reduce costs for electricity payments. The department continues to replace existing light bulbs with more energy efficient bulbs at city parking facilities. This green initiative will result in reduced electricity utilization.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust debt service payments FY 2017 $1,172,963 FTE: 0**

  Technical adjustment to support annual debt service payments for parking related capital projects.

  Priority Area(s) Met: Well-Managed Government

- **Adjust funds for IMPACT Call Center FY 2017 ($13,962) FTE: 0**

  Adjust Funds for IMPACT Call Center Services based on utilization. The IMPACT Call Center processes calls, emails, and online contacts for the Parking Facilities Fund.

  Priority Area(s) Met: Well-Managed Government

- **Adjust financial management software cost** **FY 2017 $3,857** **FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across all financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Well-Managed Government

- **Adjust time and attendance monitoring software costs** **FY 2017 ($4,560)** **FTE: 0**

  Remove a portion of funds provided for the enhancements related to the Time and Labor and Absence Management modules of the city's personnel system. This adjustment supports the final four months of the contract and the purchase of required biometric timekeeping devices. FY 2017 completes the three-year implementation timeline.

  Priority Area(s) Met: Well-Managed Government

- **Adjust operational expenses** **FY 2017 $171,479** **FTE: 0**

  Routine technical adjustment for operational expenses. These expenses may include indirect costs, materials, and supplies for essential operations.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust costs for Fleet expenditures** **FY 2017 ($79,244)** **FTE: 0**

  Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $32,930** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust required contribution to the city's retirement system** **FY 2017 $30,387** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed to departments based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2017 ($7,631)** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Parking Facilities Fund **Total: $1,478,430** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Accountant III	1 13	$46,885	$76,449	1	0	1
Accounting Technician II	1 07	$28,815	$47,022	6.8	0	6.8
Administrative Assistant I	1 09	$33,770	$55,060	1	0	1
Collection Coordinator	1 11	$40,005	$65,280	1	0	1
Crew Leader I	1 08	$31,180	$50,847	2	0	2
Customer Service Representative	1 05	$24,685	$40,290	15.2	0	15.2
Electrician II	1 09	$33,770	$55,060	1	0	1
Electronics Technician II	1 10	$36,605	$59,690	1	0	1
Enterprise Controller	1 16	$58,970	$96,145	1	0	1
Maintenance Mechanic II	1 07	$28,815	$47,022	4	1	5
Maintenance Supervisor II	1 12	$43,470	$70,890	1	0	1
Maintenance Worker I	1 03	$21,222	$34,609	6	-1	5
Maintenance Worker II	1 06	$26,900	$43,860	3	0	3
Manager of Budget & Accounting	1 18	$67,350	$109,823	1	0	1
Meter Monitor	1 04	$22,875	$37,301	9	0	9
Painter I	1 06	$26,900	$43,860	1	0	1
Parking Administrator	1 14	$51,000	$84,354	1	0	1
Parking Director	1 18	$67,350	$109,823	1	0	1
Parking Manager	1 12	$43,470	$70,890	1	0	1
Parking Supervisor	1 09	$33,770	$55,060	6	0	6
Software Analyst	1 13	$46,885	$76,449	1	0	1
Total				65	0	65

Internal Service Funds

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Internal Service Fund Summary

	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Revenues			
Use of Money and Property	5,867	9,500	9,500
Charges for Services	99,740,759	101,083,027	101,253,235
Recovered Costs	59,394	72,000	98,865
Federal Aid	1,934	0	0
Other Sources and Transfers In	245,238	215,000	115,000
Total Revenues	**100,053,192**	**101,379,527**	**101,476,600**

	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Expenditures			
Personnel Services	2,966,596	3,360,584	3,429,611
Materials, Supplies and Repairs	6,496,515	5,073,788	4,542,104
Contractual Services	91,888,770	92,881,777	93,441,507
Equipment	75,998	63,378	63,378
Total Expenditures	**101,427,879**	**101,379,527**	**101,476,600**

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HEALTHCARE FUND

MISSION STATEMENT

The Healthcare Fund provides city-administered health insurance to employees of the Norfolk Consortium which includes: City of Norfolk, Norfolk Public Schools, and Norfolk Redevelopment and Housing Authority.

DEPARTMENT OVERVIEW

The City of Norfolk, Norfolk Public Schools (NPS) and the Norfolk Redevelopment and Housing Authority (NRHA) purchase healthcare services as a Consortium. The Approved FY 2014 Budget created the Healthcare Fund which implemented city-administered health insurance beginning January 2014. As a result of the move, the Norfolk Consortium was estimated to have avoided approximately $6 million in costs.

The Healthcare Fund collects employer and employee premiums from the City of Norfolk, NPS, and NRHA. Medical claims, administrative costs, wellness program costs, fees related to the Affordable Care Act, and benefit consultant costs are expended from the Healthcare Fund. End of year fund balance and interest earned is used to stabilize premiums in future years. Any funds deposited into this account can only be used to pay costs associated with the healthcare plan.

It is estimated that collections in the fund in FY 2017 will total $89,943,167 from employee, employer, and retiree contributions. Deposits into the Healthcare Fund by Consortium member in FY 2017 are estimated as follows:

- City of Norfolk: $43,979,772
- NPS: $43,525,284
- NRHA: $2,438,111

REVENUE SUMMARY

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Charges for Services	$39,622,727	$86,410,352	$89,383,437	$89,943,167
Total	$39,622,727	$86,410,352	$89,383,437	$89,943,167

EXPENDITURE SUMMARY

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Contractual Services	$34,878,683	$88,449,808	$89,383,437	$89,943,167
Total	$34,878,683	$88,449,808	$89,383,437	$89,943,167

Proposed FY 2017 Budget Actions

- **Adjust Healthcare Fund expenditures** **FY 2017 $559,730** **FTE: 0**

  Adjust Healthcare Fund in FY 2017 based on projected expenditures. The increase in projected cost is primarily due to medical inflation.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

Healthcare Fund **Total: $559,730** **FTE: 0**

Fleet Management

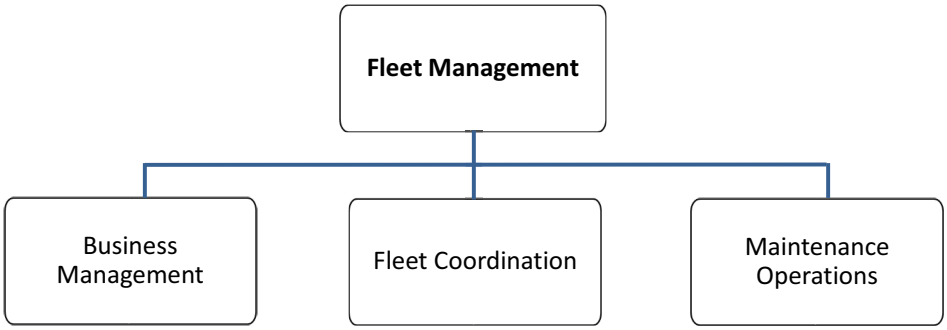
Mission Statement

The Division of Fleet Management strives to provide excellent customer service to all departments of the City of Norfolk by developing and administering a comprehensive structured preventive maintenance and repair program by:

- Being among the best and most respected fleet management operations in the country
- Exceeding customer expectations for service, quality, and value
- Providing our team members a great place to work, learn, and thrive
- Serving the residents of Norfolk with pride, dedication, and efficiency

Department Overview

Fleet Management is managed by the Department of General Services. Key responsibilities include vehicle maintenance and repair, fueling, replacement analysis, specification review, acquisition, new vehicle preparation, and disposal.



Actions to Achieve Long-Term Goals and Short-Term Objectives

Fleet Management supports the Priority Areas of Environmental Sustainability and Well-Managed Government. Fleet's long-term goals are achieved by the efficient repair and maintenance of the fleet, managing multiple contracts, and the acquisition and disposal of vehicles and equipment. Specific division activities include:

Ongoing Actions	Status
Work with the departments to enhance their compliance with the preventative maintenance schedule, thereby lengthening the useable lives of vehicles	Ongoing
Strive to reduce the average time between vehicle failures (for the same vehicle)	Ongoing

Performance Measures

Priority: Well-Managed Government					
Goal					
Enhance the efficiency of programs and services					
Objective					
Improve customer service through implementing a quality preventative maintenance program					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
City department preventative maintenance compliance rate for equipment and vehicles	74	36	80	80	0
Percent of customers who rate Fleet Services as meeting or exceeding expectations	95	100	95	95	0
Objective					
Decrease the amount of time vehicles are out of service					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of maintenance jobs that are unscheduled (New measure in FY 2017)	0	0	0	20	20
Fleet availability rate	87	93	90	90	0
Objective					
Reduce the number of returns to Fleet for similar repairs					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Average time between vehicle failures-for the same vehicle (Baseline value will be determined by conclusion of FY 2016)	0	0	0	0	0

Priority: Well-Managed Government					
Goal					
Develop, recruit and retain a well qualified work force					
Objective					
Increase number of staff who possess industry certifications and related education					
Measure	**FY 2014 Actual**	**FY 2015 Actual**	**FY 2016 Approved**	**FY 2017 Proposed**	**Change**
Percent of technicians with relevant industry certifications	47	70	50	50	0

Revenue Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Use of Money and Property	$9,580	$5,867	$9,500	$9,500
Charges for Services	$13,144,424	$13,330,407	$11,699,590	$11,310,068
Recovered Costs	$68,844	$59,394	$72,000	$98,865
Other Sources and Transfers In	$213,051	$245,238	$215,000	$115,000
Federal Aid	$0	$1,934	$0	$0
Total	$13,435,899	$13,642,840	$11,996,090	$11,533,433

Actual amounts represent collections, not appropriation authority.

Expenditure Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved	FY 2017 Proposed
Personnel Services	$2,894,633	$2,966,596	$3,360,584	$3,429,611
Materials, Supplies and Repairs	$8,802,421	$6,496,515	$5,073,788	$4,542,104
Contractual Services	$1,558,520	$3,438,962	$3,498,340	$3,498,340
Equipment	$226,359	$75,998	$63,378	$63,378
Total	$13,481,933	$12,978,073	$11,996,090	$11,533,433

Proposed FY 2017 Budget Actions

- **Implement Phase III of ARMD compensation strategy FY 2017 $21,865 FTE: 0**

  Implement Phase III of the compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) initiative. FY 2017 includes: a two percent salary increase for general and constitutional officer employees; a $50 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions are effective January 2017.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Reduce contracted fuel costs FY 2017 ($545,548) FTE: 0**

  Technical adjustment to reduce contracted fuel prices. Fleet purchases gasoline and diesel fuel at contract prices reducing the fluctuation of costs during the fiscal year. In FY 2016 Fleet had $1,515,273 in one-time fuel savings with the expectation that fuel prices would rise. However, fuel prices have remained low. As a result, this action includes an additional fuel savings of $545,548 for a total fuel savings from the FY 2015 budget of $2,060,821.

  Priority Area(s) Met: Accessibility, Mobility, and Connectivity

- **Adjust financial management software cost** **FY 2017 $13,864** **FTE: 0**

  Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city utilizes to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across all financial transactions, tracks, and controls, funds, and interfaces with the performance budgeting system.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Annualize Phase II of ARMD compensation strategy** **FY 2017 $25,137** **FTE: 0**

  Technical adjustment to annualize ARMD Phase II compensation actions that occurred in January 2016. The Approved FY 2016 Budget included funds for: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a $400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Adjust required contribution to the city's retirement system** **FY 2017 $7,454** **FTE: 0**

  Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will increase in FY 2017 from 17.51 percent to 17.79 percent. Costs are distributed to departments based on each department's NERS eligible payroll. This is a routine adjustment which occurs each budget cycle.

  Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Update personnel expenditures** **FY 2017 $14,571** **FTE: 0**

  Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, or reorganization efforts and includes the funds needed in FY 2017 for these actions. The adjustment also reflects updated healthcare costs for an overall citywide premium increase of three percent based on enrollment. These are routine actions which occur at the beginning of the budget cycle.

Fleet Management **Total: ($462,657)** **FTE: 0**

Full Time Equivalent (FTE) Summary

	Pay Grade	Minimum	Maximum	FY 2016 Approved	FTE Change	FY 2017 Proposed
Administrative Assistant II	1 10	$36,605	$59,690	1	0	1
Administrative Technician	1 07	$28,815	$47,022	2	0	2
Assistant Fleet Maintenance Manager	1 15	$55,210	$90,270	1	0	1
Autobody Repair Mechanic	1 07	$28,815	$47,022	1	0	1
Automotive Operations Manager	1 12	$43,470	$70,890	4	0	4
Automotive Repair Technician	1 10	$36,605	$59,690	18	0	18
Automotive Service Attendant	1 08	$31,180	$50,847	3	0	3
Business Manager	1 13	$46,885	$76,449	1	0	1
Fleet Coordinator	1 11	$40,005	$65,280	1	0	1
Fleet Maintenance Manager	1 19	$71,500	$116,280	1	0	1
Messenger/Driver	1 02	$19,705	$32,135	0.8	0	0.8
Senior Autobody Repair Mechanic	1 09	$33,770	$55,060	1	0	1
Senior Automotive Repair Technician	1 11	$40,005	$65,280	17	0	17
Software Analyst	1 13	$46,885	$76,449	1	0	1
Storekeeper I	1 04	$22,875	$37,301	1	0	1
Support Technician	1 05	$24,685	$40,290	2	0	2
Welder	1 10	$36,605	$59,690	1	0	1
Total				56.8	0	56.8

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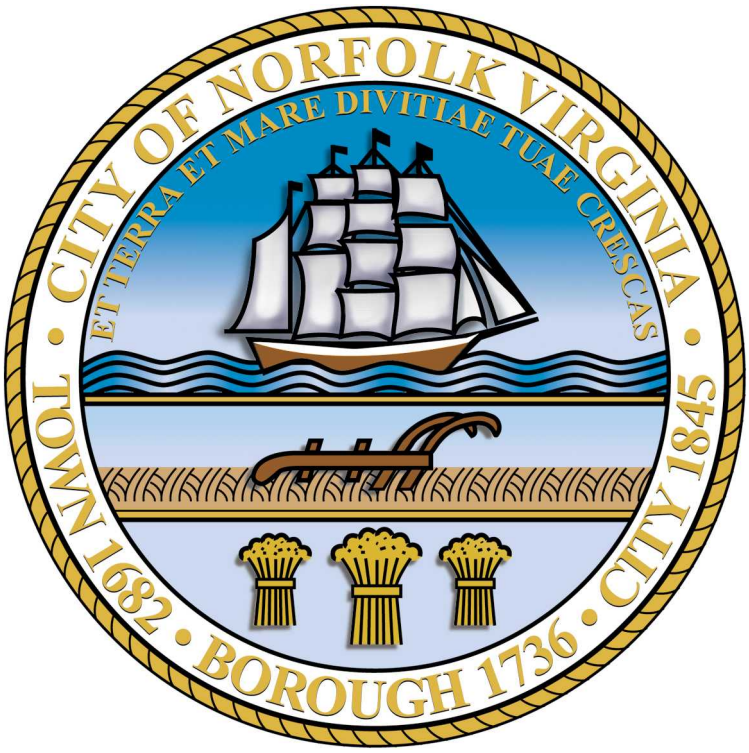
Capital Improvement Plan



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READER'S GUIDE

BACKGROUND

The Capital Improvement Program (CIP) is a multi-year plan for capital expenditures to replace and expand the city's infrastructure. The city uses the CIP to develop infrastructure and maintain the quality of life offered to residents and businesses.

The capital budget supports non-recurring expenditures, such as the construction of buildings, acquisition of property, repairs and improvements to roadways, building maintenance, and efficient operation of the water and sewage systems. Capital funding is limited to the cost of the project and may be expended over several fiscal years until the project is completed. Other costs associated with the capital budget include, but are not limited to the following:

- Architectural and engineering fees;
- Site development; and
- Major equipment.

The city uses a long-range planning process that results in a Five-Year CIP Plan. This Five-Year Plan provides residents with an outline of how the city anticipates investing capital dollars for the next five-years. Each capital project included in the CIP is either proposed for funding in FY 2017 or included as a planned project in FY 2018 through FY 2021. The inclusion of a project beyond the current budget year is not a guarantee it will be funded in the future. The needs of the city may change resulting in changes during the next annual budget cycle.

A project that is included in the city's capital budget is broadly defined as requiring the expenditure of public funds for the purchase, construction, enhancement, or replacement of physical infrastructure/assets and it may take several years to complete the project. Whether a project is included in the CIP or in the city's operating budget is determined by its size and scope. Any project authorized in a department's operating budget must be completed or committed by a contractual obligation within the fiscal year in which the funds are appropriated.

To be included in the CIP, the project must cost $50,000 or more and should extend the life of the asset by greater than the life of the debt instrument used to finance the improvement or grant program.

GUIDING PRINCIPLES

Guiding principles are used to help shape the CIP. These principles include, but are not limited to the following:

- Developing a capital plan that includes projects that meet the six City Council priorities;
- Ensuring that the CIP will be the platform for development in neighborhoods and business communities; and
- Preserving and enhancing the existing tax base.

To guide the CIP decision-making process, projects are evaluated on the degree to which the following objectives are met:

- Adheres to legal or contractual obligation or federal or state mandate;
- Addresses health concerns, safety or emergency needs;
- Leverages outside funding through a match of federal, state or private funding;

- Produces positive community impact through the formation of partnerships with residents and businesses to leverage public dollars, making Norfolk the community of choice for living, working and leisure activities;
- Enjoys broad community support;
- Results in unacceptable outcomes if the project is deferred;
- Ensures existing infrastructure and/or equipment is maintained and replaced in a timely manner; and
- Assures consistency with plaNorfolk2030 comprehensive plan, NorfolkVision2100, and other City Council adopted plans.

FUNDING CIP

A combination of funding sources are used to implement the CIP. Below are descriptions of funding sources used to support the CIP:

- **Reappropriation of Previous Authorization:** Dollars represent projects that are closed or determined to have excess funds.
- **Transfer from General Fund:** Annual cash contributions to the CIP.
- **Transfer from School Fund:** Dollars represent cash contributions from Norfolk Public Schools.
- **Transfer from Public Amenities Fund:** This cash contribution is from a special revenue fund, which collects one percent of the prepared food tax rate and one percent of the lodging tax rate to promote cultural and entertainment activity in the downtown area.
- **Other Cash Contribution:** Dollars represent other sources of cash contributions to the CIP such as grants, donations, other state or federal aid, or other reprogrammed funds.
- **Bonds (Debt):** The city's debt is defined by the sources of repayment: general fund supported debt service and nongeneral fund supported debt service. General fund supported debt is pledged to be repaid from tax revenue. Nongeneral fund debt is intended to be repaid from revenue derived from other revenue sources such as fees.

NONGENERAL FUND PROJECTS:

Projects below are supported through nongeneral fund revenues, which are not paid from taxes:

- **Parking Facilities:** Improve the city's parking infrastructure systems, maintain public safety, promote tourism, and perpetuate and attract new businesses, including architectural designs, construction of new and/or replacement, multi-level parking facilities.
- **Storm Water Utility:** Improve the city's storm water infrastructure system, including miscellaneous drainage improvements, system repairs and rehabilitation, and system cleaning and drainage studies in neighborhoods citywide.
- **Towing and Recovery:** Support the city's ability to keep abandoned vehicles off the public right-of-way and address code violations. There are no projects in this fund for the FY 2017 - FY 2021 CIP.
- **Wastewater Utility:** Improve the city's wastewater infrastructure system including the operation and maintenance of collection sewers, pump stations, and sewer force mains.
- **Water Utility:** Improve the city's water infrastructure system and perpetuate the city's economic vitality.

PRIORITY AREA DESCRIPTIONS

GENERAL FUND SUPPORTED PROJECTS:
In FY 2017, the City of Norfolk continued the implementation of the initiative to become a "Well-Managed Government." This initiative promotes the values of being a *data-driven organization that provides effective and efficient programs and services that are responsive, accountable, inclusive, and customer-focused.* This initiative also led to the revision of the citywide priorities.

In preparation for the FY 2017 budget development process, city staff reviewed and affirmed the goals and objectives, which support the Priority Area Plan. Departments continued to refine measures that drive the organization towards the objectives and goals. Through cross-functional teams, departments work together, along with outside partners, to ensure success. Using input from the Council, residents, and business leaders, staff developed action statements describing the vision for each priority. These action statements can be found in each department's section of the operating budget document.

Similar to the operating budget, the CIP projects are categorized into one of the six new priority areas. By categorizing the projects, the city is better able to understand where and how it is prioritizing major projects throughout the city. This also ensured that the projects authorized in the CIP are in line with the community and the City Council's long-term vision for the city. Listed below are the City of Norfolk's priorities and corresponding priority statements.

Accessibility, Mobility, and Connectivity:
A comprehensive network of accessibility and information gathering options, addressing all traditional transportation modes, as well as new technologies that connect people, goods, and information. Projects in this category will promote a sustainable and efficient transportation system, an effective communication network, and an accessible system of delivering goods and services to our residents.

Economic Vitality and Workplace Development:
A growing, competitive, and diversified economy that enhances the quality of life for residents through a wide range of housing, shopping, educational, cultural, business, and employment opportunities. Projects in this category will promote public infrastructure improvements designed to enhance and support private sector investments in a variety of neighborhood and commercial areas of the city. Projects in this category will also promote diversify and strengthen entertainment venues and "cool city" amenities in Norfolk.

Environmental Sustainability:
A premier waterfront community that creates a positive, regenerative effect on its environment, avoids detrimental environmental impacts, and thrives economically and culturally. Projects in this category will promote the efficient use and protection of natural resources and reduce the negative impacts of coastal flooding.

Lifelong Learning:
Residents of all ages enjoy a culture of learning that enables them to reach their full potential, achieve personal goals, and, through their knowledge, skills, abilities, and talents, become well equipped to support a prosperous economy. Projects in this category promote a well-trained, qualified community workforce and increase accessibility to lifelong learning. These include construction projects to improve, replace, and/or build new elementary, middle, and high school facilities.

Safe, Healthy and Inclusive Communities:
Residents of diverse backgrounds and interests feel encouraged and empowered to assist in the development of safe and healthy neighborhoods, thereby fostering a culture of leadership, pride, and well-being that advances Norfolk's brand as a desirable and enjoyable place to live, learn, work, and play. Projects in this category promote a safe environment for residents, workers, and visitors, increase the availability of sustainable and high quality housing for residents, and create a culture that promotes health, engages in prevention, and supports the economic and social well-being of individuals and families.

Well-Managed Government:
A data-driven organization that provides effective and efficient programs and services that are responsive, accountable, inclusive, and customer-focused. Projects in this category promote efficiency of programs and services as well as developing, recruiting, and retaining talented and engaged employees to meet current and future workplace needs.

METHODOLOGY FOR APPROPRIATING CAPITAL PROJECT FUNDS

In FY 2016, the city introduced an additional method of appropriating stand-alone, large CIP projects. Previously the approval of such CIP projects were timed to the issuance of bonds and the debt limit ratios. This led to these projects being funded over a number of years based on projected expenditures. This meant that a project would receive design funds in year one, and construction in years two, three, or four.

In the new method, projects receive full appropriation in one year, but funds are released based on the anticipated schedule of payments for planning, design, and construction. This new methodology reduces the redundant approvals of the same project year after year and increases the accountability of cost estimates provided at the time of the initial authorization. This approach allows for better management of cash flow and for bond issuance only when needed, saving unnecessary interest payments.

Umbrella projects that focus on maintaining and improving infrastructure are appropriated on an annual basis. These projects include, but are not limited to, maintenance of streets, bridges, sidewalks, parks, public utilities, and improvement of city facilities.

PROJECT INFORMATION

The FY 2017 CIP provides for 30 projects with support from the General Capital, one project with support from Parking Facilities, five projects with support from Storm Water Utility, one project with support from Wastewater Utility, and six projects with support from the Water Utility.

Financial information for projects can be found throughout the CIP and in the sections listed below.

- **CIP Funding Sources:** Lists the sources of revenue the city uses to fund capital projects.
- **CIP - Uses of Funds:** Lists the projects proposed in the FY 2017 Budget.
- **CIP Five-Year Plan Summary:** A five-year outlook of funding needed for CIP projects in the FY 2017 Budget.
- **Project Detail by Priority Area:** Projects shown on the CIP Five-Year Plan Summary are listed individually with a detailed financial breakdown.

Each project within the FY 2017 CIP has an individual project information page. The definitions and descriptions below are provided as a guide to understanding the individual project pages.

SEE SAMPLE PAGE FOLLOWING THESE DEFINITIONS FOR MORE INFORMATION

For each project, the following information is included:

- **Project Title:** Provides a descriptive name for the project.
- **Department:** Identifies the city department that will function as the project sponsor and manager.
- **Account number:** Identifies the financial account the city uses to track project expenditures. Projects that are planned for funding in years FY 2018 – FY 2021 will not have an account code.
- **Property Address:** Identifies the location of the project. Several categories are used to identify the location of a project. Addresses are listed when a project is concentrated in a specific area. The term citywide is used when the project involves several locations throughout the city or has a citywide impact. The term "to be determined" is used when a specific site for the project has not been identified.
- **Customers Served:** Indicates the beneficiaries to be served by the project.
- **Project Description:** Provides a brief and informative description of the project.
- **Financial Summary:** The financial summary provides detailed information on the amounts appropriated for the project. This section includes the following:
    - **FY 2017 Proposed:** Reflects the amounts for the project. Amounts listed in FY 2018 – FY 2021 are planned amounts in the upcoming years.
    - **FY 2016 Approved:** amounts that were approved for the project when the budget was authorized in the previous fiscal year.
    - **Operating Budget Impact:** Reflects an ongoing operating budget expense once the project is complete. These expenses are not paid from the capital budget.
    - **Anticipated Project Timeline:** Amounts shown are a projection of how and when funds will be spent in FY 2018 - FY 2021.

    - **Prior Capital Funding:** Shows the dollars previously contributed to the project from previous appropriations.
    - **Capital Share Remaining:** Reflects the amount of capital funding needed to complete the project. This amount is the sum of FY 2018 – FY 2021.
    - **Project Total:** Reflects the total amount of money dedicated for the completion of the project.
- **Picture:** Includes a visual depiction, if available, of the project location or the end result expected from the completion of the project.
- **Priority Area:** Identifies the priority area that each project is categorized into.

Project Description Page

Project Title

Project Description

Department

Address School Major Maintenance

Department

Executive

Project Description

Provide support for major maintenance and repair to school facilities. Expenditures in this category help preserve the life of buildings, perform major preventative maintenance and undertake significant repairs. Each year, prior to the distribution of funds, Norfolk Public Schools shall provide a list of planned projects, as well as the results of the prior year's efforts.

Project Address

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☑ Tourists/Visitors ☐

Customers Served

Financial Summary

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	11,000,000
FY 2016 Approved	3,750,000	2,000,000	2,000,000	2,000,000	2,000,000	N/A	11,750,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	11,000,000
Total	N/A	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	11,000,000

Anticipated Project Spending

Prior Capital Funding	27,550,000
FY 2017 Proposed	3,000,000
Capital Share Remaining	8,000,000
Project Total	38,550,000

Funding History

Lifelong Learning CIP - 453

Priority

OPERATING IMPACT OF MAJOR CIP PROJECTS

The operating impact of capital projects is analyzed during the CIP development process. Many new capital improvement projects entail ongoing expenses for routine operation, repair, and maintenance upon completion or acquisition. Some new capital facilities may also require the addition of new positions.

Estimated revenues and/or operational efficiency savings associated with projects are also considered during the capital project evaluation and review process. Operational costs of new facilities can have a significant financial impact on the operating budget of the city. Therefore, these costs are weighed when a project is considered for funding. Conversely, the positive contribution that a capital project can make to the fiscal well-being of the city is also factored into the decision making process. Capital projects such as redevelopment of under-performing or under-used areas of the city, and the infrastructure expansion needed to support new development, help promote the economic development and growth that generates additional operating revenues or operational efficiencies.

As CIP projects are completed, the operating costs of these projects are identified, prioritized, and justified as part of the city's budget development process. The city plans and budgets for significant start-up costs, as well as operation and maintenance of new facilities in the operating budget. If applicable, each project contains an operating and maintenance projection for the operating costs for the first five-years.

The table below represents the estimated operating and maintenance costs for proposed projects. These impacts are taken into consideration in the city's five-year expenditure forecast. Operating impacts are analyzed for funding on a project by project basis because, at times, these impacts can be absorbed within the department's current budget and, at other times, additional funding may be needed. These costs are taken into account when the city authorizes a project for capital funding. CIP projects that have been completed in prior years, which have operating impacts, are not shown here. Prior projects such as the Slover Library, the Southside Aquatics Center, and the new courthouse, for example, have annual operating and maintenance costs that have been added to the department's budget as these buildings have already come online.

Five Year Estimated CIP Project Operating and Maintenance Cost Impact

Project Title	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Develop Bicycle, Pedestrian Greenways, Sharrows, and Complete Streets	$12,000	$12,000	$12,000	$12,000	$12,000
Implement RPOS Master Plan	$6,200	$6,200	$6,200	$6,200	$6,200
Improve Street Lights	$35,000	$35,000	$35,000	$35,000	$35,000
Maintain USS Wisconsin BB-64	$61,547	$70,732	$10,800	$11,000	$11,000
Support Jail Improvements	$0	$93,577	$93,577	$93,577	$93,577
Grand Total	**$114,747**	**$217,509**	**$157,577**	**$157,777**	**$157,777**

*Operating and maintenance costs are addressed through the operating budget for completed projects or for an impending facilities coming online. Operation and maintenance costs are not shown for school construction, as these costs are shown as part of the School Board's separate budget.

CIP FUNDING SOURCES – GENERAL CAPITAL

FY 2017 – FY 2021 Funding Sources						
	Proposed	----------Planned----------				
Sources	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**Total**
Reappropriation of Previous Authorization	$4,965,041	$0	$0	$0	$0	$4,965,041
Transfer From General Fund	$1,447,393	$1,309,166	$1,309,166	$1,309,166	$1,309,166	$6,684,057
Transfer From Public Amenities Fund	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$5,000,000
Other Cash Contribution	$300,000	$300,000	$300,000	$300,000	$300,000	$1,500,000
Bonds	$21,651,566	$16,204,834	$19,845,834	$13,845,834	$12,995,834	$84,543,902
Subtotal	**$29,364,000**	**$18,814,000**	**$22,455,000**	**$16,455,000**	**$15,605,000**	**$102,693,000**

CIP Funding Sources – Nongeneral Funds

FY 2017 – FY 2021 Funding Sources						
	Proposed	----------Planned----------				
Sources	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**Total**
Other CIP						
Parking Fund Cash	$2,900,000	$2,900,000	$2,900,000	$2,900,000	$2,900,000	$14,500,000
Subtotal Parking Fund	$2,900,000	$2,900,000	$2,900,000	$2,900,000	$2,900,000	$14,500,000
Storm Water Bonds	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$17,500,000
Storm Water Cash	$1,315,200	$1,315,200	$1,315,200	$1,315,200	$1,315,200	$6,576,000
Subtotal Storm Water	$4,815,200	$4,815,200	$4,815,200	$4,815,200	$4,815,200	$24,076,000
Wastewater Bonds	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$100,000,000
Subtotal Wastewater	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$100,000,000
Water Bond	$21,000,000	$15,853,333	$15,173,333	$13,673,334	$12,050,000	$77,750,000
Water Fund Cash	$4,950,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$24,950,000
Subtotal Water	$25,950,000	$20,853,333	$20,173,333	$18,673,334	$17,050,000	$102,700,000
Other CIP Total	$53,665,200	$48,568,533	$47,888,533	$46,388,534	$44,765,200	$241,276,000
Grand Total CIP	**$83,029,200**	**$67,382,533**	**$70,343,533**	**$62,843,534**	**$60,370,200**	**$343,969,000**

CIP - Uses of Funds

FY 2017 - FY 2021 Capital Improvement Plan		
Project Title	**Page**	**Proposed FY 2017**
Accessibility, Mobility and Connectivity		
Develop Bicycle, Pedestrian Greenways, Sharrows, and Complete Streets	437	750,000
Enhance Signals and Intersections	438	200,000
Improve Downtown Corridor Streetscaping	439	100,000
Repair and Maintain Bridges - Minor	440	250,000
Repair and Replace Bridges - Major	441	1,000,000
Upgrade Infrastructure Equipment Network (INET)	442	1,800,000
Subtotal Accessibility, Mobility and Connectivity		**4,100,000**
Economic Vitality and Workforce Development		
Continue Scope Arena Improvements (PA)	443	750,000
Fund Chrysler Museum Capital Campaign Match	444	850,000
Improve Cultural Facilities (PA)	445	250,000
Improve Harbor Park	446	500,000
Support Citywide Public Art	447	250,000
Subtotal Economic Vitality and Workforce Development		**2,600,000**
Environmental Sustainability		
Address Street Flooding Citywide	449	1,500,000
Control Beach Erosion	450	955,000
Improve Citywide Dredging and Waterways	451	500,000
Improve HVAC Systems Citywide	452	200,000
Subtotal Environmental Sustainability		**3,155,000**
Lifelong Learning		
Address School Major Maintenance	453	3,000,000
Subtotal Lifelong Learning		**3,000,000**

FY 2017 - FY 2021 Capital Improvement Plan

Project Title	Page	Proposed FY 2017
Safe, Healthy and Inclusive Communities		
Implement RPOS Master Plan	456	500,000
Improve Community and Neighborhood Parks	457	250,000
Improve Existing Community Centers	458	200,000
Improve Neighborhood Streets - Major	459	300,000
Improve Neighborhoods Citywide	460	2,500,000
Improve Street Lights	461	100,000
Maintain Fire Stations	462	1,000,000
Repair Neigh. Sts/Sidewalks/Walkways	463	250,000
Support Jail Improvements	464	5,400,000
Subtotal Safe, Healthy and Inclusive Communities		**10,500,000**
Well-Managed Government		
Fund Preliminary Engineering	465	2,259,000
Improve Infrastructure and Acquire Property	466	1,000,000
Improve Roof Repair and Moisture Protection	467	250,000
Maintain Municipal Facilities	468	2,000,000
Maintain USS Wisconsin BB-64	469	500,000
Subtotal Well-Managed Government		**6,009,000**
Total General Capital		**29,364,000**
Parking Facilities		
Maintain Parking Facilities	471	2,900,000
Subtotal Parking Facilities		**2,900,000**
Storm Water Utility		
Create Citywide Flooding Reserve	473	1,315,200
Improve Storm Water Quality	474	950,000
Improve Storm Water System	475	600,000
Improve Storm Water Waterfront Facilities	476	500,000
Reduce Neighborhood Flooding	477	1,450,000
Subtotal Storm Water Utility		**4,815,200**

FY 2017 - FY 2021 Capital Improvement Plan

Project Title	Page	Proposed FY 2017
Wastewater Utility		
Improve Wastewater Collection System	479	20,000,000
Subtotal Wastewater Utility		**20,000,000**
Water Utility		
Comply With Safe Drinking Water Act Amendments	481	400,000
Design and Construct 37th Street Plant	482	500,000
Implement Meter Change-Out Program	483	400,000
Improve Water Pipeline Infrastructure	484	12,000,000
Rehabilitate Reservoirs Systemwide	485	3,650,000
Upgrade Moores Bridges Water Treatment Plant	487	9,000,000
Subtotal Water Utility		**25,950,000**
Total Capital Improvement Plan		**83,029,200**

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CIP Five - Year Plan Summary

FY 2017 - FY 2021 Capital Improvement Plan								
		Originally Planned	Proposed	Planned				
Project Title	Page	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
Accessibility, Mobility and Connectivity								
Develop Bicycle, Pedestrian Greenways, Sharrows, and Complete Streets	429	750,000	750,000	750,000	750,000	750,000	750,000	3,750,000
Enhance Signals and Intersections	430	200,000	200,000	200,000	200,000	200,000	200,000	1,000,000
Improve Downtown Corridor Streetscaping	431	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Repair and Maintain Bridges - Minor	432	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Repair and Replace Bridges - Major	433	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Upgrade Infrastructure Equipment Network (INET)	434	-	1,800,000	-	-	-	-	1,800,000
Subtotal Accessibility, Mobility and Connectivity		**2,300,000**	**4,100,000**	**2,300,000**	**2,300,000**	**2,300,000**	**2,300,000**	**13,300,000**
Economic Vitality and Workforce Development								
Continue Scope Arena Improvements (PA)	435	750,000	750,000	750,000	750,000	750,000	750,000	3,750,000
Fund Chrysler Museum Capital Campaign Match	436	850,000	850,000	850,000	850,000	850,000	-	3,400,000
Improve Cultural Facilities (PA)	437	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Improve Harbor Park	438	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
Support Citywide Public Art	439	250,000	250,000	-	-	-	-	250,000
Subtotal Economic Vitality and Workforce Development		**2,600,000**	**2,600,000**	**2,350,000**	**2,350,000**	**2,350,000**	**1,500,000**	**11,150,000**
Environmental Sustainability								
Address Street Flooding Citywide	441	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Control Beach Erosion	442	790,000	955,000	955,000	955,000	955,000	955,000	4,775,000
Improve Citywide Dredging and Waterways	443	150,000	500,000	150,000	150,000	150,000	150,000	1,100,000
Improve HVAC Systems Citywide	444	200,000	200,000	200,000	200,000	200,000	200,000	1,000,000
Subtotal Environmental Sustainability		**2,640,000**	**3,155,000**	**2,805,000**	**2,805,000**	**2,805,000**	**2,805,000**	**14,375,000**

FY 2017 - FY 2021 Capital Improvement Plan								
		Originally Planned	Proposed	Planned				
Project Title	Page	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
Lifelong Learning								
Address School Major Maintenance	445	2,000,000	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	11,000,000
Improve Maury High School	446	-	-	-	6,000,000	-	-	6,000,000
Subtotal Lifelong Learning		**2,000,000**	**3,000,000**	**2,000,000**	**8,000,000**	**2,000,000**	**2,000,000**	**17,000,000**
Safe, Healthy and Inclusive Communities								
Fund ADA Master Plan for City Facilities	447	150,000	-	150,000	150,000	150,000	150,000	600,000
Implement RPOS Master Plan	448	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
Improve Community and Neighborhood Parks	449	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Improve Existing Community Centers	450	200,000	200,000	200,000	200,000	200,000	200,000	1,000,000
Improve Neighborhood Streets - Major	451	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
Improve Neighborhoods Citywide	452	-	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	12,500,000
Improve Street Lights	453	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Maintain Fire Stations	454	-	1,000,000	-	-	-	-	1,000,000
Repair Neigh. Sts/Sidewalks/Walkways	455	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Support Jail Improvements	456	-	5,400,000	1,200,000	-	-	-	6,600,000
Revitalize, Redevelop, and Conserve Neighborhoods	-	2,000,000	-	-	-	-	-	-
Subtotal Safe, Healthy and Inclusive Communities		**3,750,000**	**10,500,000**	**5,450,000**	**4,250,000**	**4,250,000**	**4,250,000**	**28,700,000**
Well-Managed Government								
Fund Preliminary Engineering	457	2,259,000	2,259,000	1,159,000	-	-	-	3,418,000
Improve Infrastructure and Acquire Property	458	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Improve Roof Repair and Moisture Protection	459	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Maintain Municipal Facilities	460	1,000,000	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
Maintain USS Wisconsin BB-64	461	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
Subtotal Well-Managed Government		**5,009,000**	**6,009,000**	**3,909,000**	**2,750,000**	**2,750,000**	**2,750,000**	**18,168,000**
Total General Capital		**18,299,000**	**29,364,000**	**18,814,000**	**22,455,000**	**16,455,000**	**15,605,000**	**102,693,000**

FY 2017 - FY 2021 Capital Improvement Plan								
		Originally Planned	Proposed	Planned				
Project Title	Page	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
Parking Facilities								
Maintain Parking Facilities	463	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	14,500,000
Subtotal Parking Facilities		**2,900,000**	**2,900,000**	**2,900,000**	**2,900,000**	**2,900,000**	**2,900,000**	**14,500,000**
Storm Water Utility								
Create Citywide Flooding Reserve	465	1,315,200	1,315,200	1,315,200	1,315,200	1,315,200	1,315,200	6,576,000
Improve Storm Water Quality	466	950,000	950,000	950,000	950,000	950,000	950,000	4,750,000
Improve Storm Water System	467	600,000	600,000	600,000	600,000	600,000	600,000	3,000,000
Improve Storm Water Waterfront Facilities	468	500,000	500,000	500,000	500,000	500,000	500,000	2,500,000
Reduce Neighborhood Flooding	469	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	7,250,000
Subtotal Storm Water Utility		**4,815,200**	**4,815,200**	**4,815,200**	**4,815,200**	**4,815,200**	**4,815,200**	**24,076,000**
Wastewater Utility								
Improve Wastewater Collection System	471	17,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	100,000,000
Subtotal Wastewater Utility		**17,000,000**	**20,000,000**	**20,000,000**	**20,000,000**	**20,000,000**	**20,000,000**	**100,000,000**
Water Utility								
Comply With Safe Drinking Water Act Amendments	473	100,000	400,000	300,000	1,300,000	500,000	300,000	2,800,000
Design and Construct 37th Street Plant	474	-	500,000	500,000	500,000	2,000,000	1,000,000	4,500,000
Implement Meter Change-Out Program	475	150,000	400,000	150,000	150,000	200,000	3,150,000	4,050,000
Improve Water Pipeline Infrastructure	476	12,000,000	12,000,000	11,000,000	10,040,000	6,600,000	7,000,000	46,640,000
Rehabilitate Reservoirs Systemwide	477	350,000	3,650,000	3,733,333	1,183,333	1,853,334	550,000	10,970,000
Replace Master Meters	478	120,000	-	120,000	-	120,000	-	240,000
Upgrade Moores Bridges Water Treatment Plant	479	3,000,000	9,000,000	5,000,000	7,000,000	7,000,000	5,000,000	33,000,000
Upgrade Northstar Billing System	480	-	-	50,000	-	400,000	50,000	500,000
Subtotal Water Utility		**15,720,000**	**25,950,000**	**20,853,333**	**20,173,333**	**18,673,334**	**17,050,000**	**102,700,000**
Total Capital Improvement		**58,734,200**	**83,029,200**	**67,382,533**	**70,343,533**	**62,843,534**	**60,370,200**	**343,969,000**

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Accessibility, Mobility and Connectivity

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Develop Bicycle, Pedestrian Greenways, Sharrows, and Complete Streets

Department

Public Works

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☑ Tourists/Visitors ☑

Project Description

Provide funds to develop citywide transportation connectivity initiatives. These initiatives may include the construction of new bike and pedestrian trails, sidewalk and curb improvements, bike lane striping, and other improvements that promote the Recreation, Parks, and Open Space Master Plan and Complete Streets Initiative. The Complete Streets Initiative promotes safe access for all users including pedestrians, bicyclists, motorists, and transit users of all ages and abilities.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	750,000	750,000	750,000	750,000	750,000	3,750,000
FY 2016 Approved	750,000	750,000	750,000	750,000	750,000	N/A	3,750,000
Estimated Operating Budget Impact	N/A	12,000	12,000	12,000	12,000	12,000	60,000

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	50,000	50,000	50,000	50,000	50,000	250,000
Construction/FFE	N/A	700,000	700,000	700,000	700,000	700,000	3,500,000
Total	N/A	750,000	750,000	750,000	750,000	750,000	3,750,000

Prior Capital Funding	1,250,000
FY 2017 Proposed	750,000
Capital Share Remaining	3,000,000
Project Total	5,000,000

Enhance Signals and Intersections

Department

Public Works

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for the improvement and upgrade of the traffic signal system and intersections that experience traffic congestion and traffic safety issues. Planned improvements include new signalized intersections, school flashing signals, pedestrian crossing improvements, various roadway capacity and neighborhood access improvements, and conversion to Light Emitting Diode (LED) lights.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000
FY 2016 Approved	200,000	200,000	200,000	200,000	200,000	N/A	1,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	50,000	50,000	50,000	50,000	50,000	250,000
Construction/FFE	N/A	150,000	150,000	150,000	150,000	150,000	750,000
Total	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000

Prior Capital Funding	8,369,000
FY 2017 Proposed	200,000
Capital Share Remaining	800,000
Project Total	9,369,000

Improve Downtown Corridor Streetscaping

Department

Public Works

Project Description

Provide funds for streetscaping and corridor improvements in the Central Business District. The scope of the project may include the installation of curbing, brick sidewalks, and paths downtown to encourage a pedestrian friendly environment.

Property Address:

Downtown

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☑ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	100,000	100,000	100,000	100,000	100,000	500,000
FY 2016 Approved	100,000	100,000	100,000	100,000	100,000	N/A	500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	10,000	10,000	10,000	10,000	10,000	50,000
Construction/FFE	N/A	90,000	90,000	90,000	90,000	90,000	450,000
Total	N/A	100,000	100,000	100,000	100,000	100,000	500,000

Prior Capital Funding	5,162,601
FY 2017 Proposed	100,000
Capital Share Remaining	400,000
Project Total	5,662,601

Repair and Maintain Bridges - Minor

Department

Public Works

Project Description

Provide funds for the routine minor repairs and maintenance of bridges. Repairs may include bridge coating and corrosion protection, concrete repair, joint sealing, bearing pad replacement, embankment repair, and lighting upgrades.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000
FY 2016 Approved	250,000	250,000	250,000	250,000	250,000	N/A	1,250,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	25,000	25,000	25,000	25,000	25,000	125,000
Construction/FFE	N/A	225,000	225,000	225,000	225,000	225,000	1,125,000
Total	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000

Prior Capital Funding	7,575,000
FY 2017 Proposed	250,000
Capital Share Remaining	1,000,000
Project Total	8,825,000

Repair and Replace Bridges - Major

Department

Public Works

Project Description

Provide funds for the replacement, repair, upgrade, or demolition of key bridge structures that are in significant stages of deterioration. FY 2017 funding may be used for the design and construction of the West Ocean View Flyover bridge at the intersection of West Ocean View Drive and Tidewater Drive.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
FY 2016 Approved	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	N/A	5,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000
Construction/FFE	N/A	800,000	800,000	800,000	800,000	800,000	4,000,000
Total	N/A	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

Prior Capital Funding	18,451,208
FY 2017 Proposed	1,000,000
Capital Share Remaining	4,000,000
Project Total	23,451,208

Upgrade Infrastructure Equipment Network (INET)

Department

Communications and Technology

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds to support the city's infrastructure network upgrade. The equipment provides voice, data, and high speed video communications to all city facilities. Funding supports the installation of new fiber optic cable, and network nodes which will increase the city's broadband capability. The Equipment/Vehicle Purchase Program will support an additional $1.8 million for a project total of $3.6 million.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	1,800,000	0	0	0	0	1,800,000
FY 2016 Approved	0	0	0	0	0	N/A	0
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	10,000	0	0	0	0	10,000
Construction/FFE	N/A	1,790,000	0	0	0	0	1,790,000
Total	N/A	1,800,000	0	0	0	0	1,800,000

Prior Capital Funding	0
FY 2017 Proposed	1,800,000
Capital Share Remaining	0
Project Total	1,800,000

Economic Vitality and Workforce Development

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Continue Scope Arena Improvements (PA)

Department

Cultural Fac., Arts & Ent.

Project Description

Provide funds for ongoing renovations and improvements to Scope arena. Public Amenities (PA) funds are used to support this project.

Property Address:

201 E BRAMBLETON AVENUE

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	750,000	750,000	750,000	750,000	750,000	3,750,000
FY 2016 Approved	750,000	750,000	750,000	750,000	750,000	N/A	3,750,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	50,000	50,000	50,000	50,000	50,000	250,000
Construction/FFE	N/A	700,000	700,000	700,000	700,000	700,000	3,500,000
Total	N/A	750,000	750,000	750,000	750,000	750,000	3,750,000

Prior Capital Funding	3,375,000
FY 2017 Proposed	750,000
Capital Share Remaining	3,000,000
Project Total	7,125,000

Fund Chrysler Museum Capital Campaign Match

Department

Chrysler Museum

Project Description

Provide match funds to supplement funds raised by the Chrysler Museum for capital improvements that expands and renovates the building. The total contribution commitment is $10.0 million. Including FY 2017, the city has contributed $7.45 million towards the campaign.

Property Address:

245 W. Olney Road

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	850,000	850,000	850,000	850,000	0	3,400,000
FY 2016 Approved	850,000	850,000	850,000	850,000	850,000	N/A	4,250,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	850,000	850,000	850,000	850,000	0	3,400,000
Construction/FFE	N/A	0	0	0	0	0	0
Total	N/A	850,000	850,000	850,000	850,000	0	3,400,000

Prior Capital Funding	5,860,000
FY 2017 Proposed	850,000
Capital Share Remaining	2,550,000
Project Total	9,260,000

Improve Cultural Facilities (PA)

Department

Cultural Fac., Arts & Ent.

Project Description

Provide funds for general improvements and renovation to cultural facilities. Improvements will increase and enhance the cultural experience of visitors and residents. Public Amenities (PA) funds are used to support this project.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000
FY 2016 Approved	250,000	250,000	250,000	250,000	250,000	N/A	1,250,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	25,000	25,000	25,000	25,000	25,000	125,000
Construction/FFE	N/A	225,000	225,000	225,000	225,000	225,000	1,125,000
Total	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000

Prior Capital Funding	3,248,000
FY 2017 Proposed	250,000
Capital Share Remaining	1,000,000
Project Total	4,498,000

Improve Harbor Park

Department

Cultural Fac., Arts & Ent.

Property Address:

150 Park Avenue

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for ongoing upgrades and maintenance at Harbor Park to enhance the facility and improve visitor experience. The park was built in 1993 and features 9,000 lower deck seats, 2,800 upper deck seats, and 400 seats in 24 luxury skyboxes leased to area businesses. The total contribution commitment is $3.0 million. Including FY 2017 , the city has contributed $1.5 million towards the stadium lease agreement.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000
FY 2016 Approved	0	500,000	500,000	500,000	500,000	N/A	2,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	50,000	50,000	50,000	50,000	50,000	250,000
Construction/FFE	N/A	450,000	450,000	450,000	450,000	450,000	2,250,000
Total	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000

Prior Capital Funding	500,000
FY 2017 Proposed	500,000
Capital Share Remaining	2,000,000
Project Total	3,000,000

Support Citywide Public Art

Department

Cultural Fac., Arts & Ent.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☑ Tourists/Visitors ☑

Project Description

Provide funds to continue the citywide Public Art Program established by the Council in FY 2006. The Public Art Program strives to provide enduring, impactful artwork in Norfolk reflecting the city's cultural identities, that also challenges, delights, educates, beautifies, and gives character to our public spaces.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	250,000	0	0	0	0	250,000
FY 2016 Approved	250,000	250,000	0	0	0	N/A	500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	250,000	0	0	0	0	250,000
Total	N/A	250,000	0	0	0	0	250,000

Prior Capital Funding	750,000
FY 2017 Proposed	250,000
Capital Share Remaining	0
Project Total	1,000,000

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Environmental Sustainability

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Address Street Flooding Citywide

Department

Public Works

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☑ Tourists/Visitors ☑

Project Description

Provide funds to address street flooding issues throughout the city. These projects supplement the Storm Water projects. Additionally, these projects may also correct minor to moderate resident flooding concerns that are compiled by the Department of Public Works and addressed systematically as funding becomes available.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
FY 2016 Approved	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	N/A	7,500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	150,000	150,000	150,000	150,000	150,000	750,000
Construction/FFE	N/A	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	6,750,000
Total	N/A	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000

Prior Capital Funding	12,200,000
FY 2017 Proposed	1,500,000
Capital Share Remaining	6,000,000
Project Total	19,700,000

Control Beach Erosion

Department

City Planning & Comm. Dev.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for shoreline erosion control structures, shoreline modeling, annual wave gauge maintenance, sand replenishment, dune maintenance, repair and re-vegetation, and continuation of the biennial beach survey. The Army Corps of Engineers is performing a $38.4 million beach nourishment project in Willoughby Spit and the surrounding areas. The project will help repair the shoreline and protect it from future storms. Beginning in FY 2017, the city's share of the project is $464,400 per year for a total of $9.2 million over 30 years.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	955,000	955,000	955,000	955,000	955,000	4,775,000
FY 2016 Approved	500,000	790,000	790,000	790,000	790,000	N/A	3,660,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000
Construction/FFE	N/A	755,000	755,000	755,000	755,000	755,000	3,775,000
Total	N/A	955,000	955,000	955,000	955,000	955,000	4,775,000

Prior Capital Funding	30,073,500
FY 2017 Proposed	955,000
Capital Share Remaining	3,820,000
Project Total	34,848,500

Improve Citywide Dredging and Waterways

Department

Public Works

Project Description

Provide funds for the dredging and improvement of waterways and adjacent shorelines. FY 2017 funding includes support to address the West Belvedere and Regent Roads dredging projects.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	500,000	150,000	150,000	150,000	150,000	1,100,000
FY 2016 Approved	350,000	150,000	150,000	150,000	150,000	N/A	950,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	50,000	15,000	15,000	15,000	15,000	110,000
Construction/FFE	N/A	450,000	135,000	135,000	135,000	135,000	990,000
Total	N/A	500,000	150,000	150,000	150,000	150,000	1,100,000

Prior Capital Funding	4,460,000
FY 2017 Proposed	500,000
Capital Share Remaining	600,000
Project Total	5,560,000

Improve HVAC Systems Citywide

Department

General Services

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☑

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for the repair or replacement of outdated or inefficient heating, ventilation and air conditioning (HVAC) systems in various facilities. Phase I of a comprehensive building assessment study was completed in FY 2016 and identified areas for chiller and induction unit improvements. Phase II of the study will begin in FY 2017 to include a comprehensive review of the citywide building infrastructure.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000
FY 2016 Approved	200,000	200,000	200,000	200,000	200,000	N/A	1,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000
Total	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000

Prior Capital Funding	4,725,000
FY 2017 Proposed	200,000
Capital Share Remaining	800,000
Project Total	5,725,000

Lifelong Learning

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Address School Major Maintenance

Department

Executive

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☑ Tourists/Visitors ☐

Project Description

Provide support for major maintenance and repair to school facilities. Expenditures in this category help preserve the life of buildings, perform major preventative maintenance and undertake significant repairs. Each year, prior to the distribution of funds, Norfolk Public Schools shall provide a list of planned projects, as well as the results of the prior year's efforts.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	11,000,000
FY 2016 Approved	3,750,000	2,000,000	2,000,000	2,000,000	2,000,000	N/A	11,750,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	11,000,000
Total	N/A	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	11,000,000

Prior Capital Funding	27,550,000
FY 2017 Proposed	3,000,000
Capital Share Remaining	8,000,000
Project Total	38,550,000

Improve Maury High School

Department

Executive

Property Address:

322 Shirley Avenue

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☑ Tourists/Visitors ☐

Project Description

Provide Funds for Maury High School exterior repair and rehabilitation. Built in 1911, the school is one of many historically significant buildings throughout the city. Planned funds in FY 2019 will provide for extensive repairs to the exterior masonry and windows. Prior to the exterior renovations, work will be done to determine the extent of other renovations required to the building, including interior and structural rehabilitation.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	0	0	6,000,000	0	0	6,000,000
FY 2016 Approved	0	0	0	6,000,000	0	N/A	6,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	500,000	0	0	500,000
Construction/FFE	N/A	0	0	5,500,000	0	0	5,500,000
Total	N/A	0	0	6,000,000	0	0	6,000,000

Prior Capital Funding	0
FY 2017 Proposed	0
Capital Share Remaining	6,000,000
Project Total	6,000,000

Safe, Healthy and Inclusive Communities

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Fund ADA Master Plan for City Facilities

Department

General Services

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for improvements at city facilities to accommodate the needs of persons with disabilities. The Americans with Disabilities Act (ADA) requires ongoing attention to the access needs of the disabled. These improvements may include restroom configuration, signage, entrances, curb cuts, access ramps, benches, water fountains, service desks, seating, and other equipment to improve accessibility. In FY 2017, these improvements will be completed using Community Development Block Grant (CDBG) funds.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	0	150,000	150,000	150,000	150,000	600,000
FY 2016 Approved	150,000	150,000	150,000	150,000	150,000	N/A	750,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	15,000	15,000	15,000	15,000	60,000
Construction/FFE	N/A	0	135,000	135,000	135,000	135,000	540,000
Total	N/A	0	150,000	150,000	150,000	150,000	600,000

Prior Capital Funding	3,210,000
FY 2017 Proposed	0
Capital Share Remaining	600,000
Project Total	3,810,000

Implement RPOS Master Plan

Department

Recreation/Parks and Open Space

Project Description

Implement the Recreation Parks and Open Space (RPOS) Master Plan. This plan serves as a guiding vision for parks and recreation facilities. The plan includes projects to be phased in over a 20-year period. Highlights of the plan may include the improvements to parks, tennis courts, and athletic fields.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☑ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000
FY 2016 Approved	600,000	500,000	500,000	500,000	500,000	N/A	2,600,000
Estimated Operating Budget Impact	N/A	6,200	6,200	6,200	0	0	18,600

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	45,000	45,000	45,000	45,000	45,000	225,000
Construction/FFE	N/A	455,000	455,000	455,000	455,000	455,000	2,275,000
Total	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000

Prior Capital Funding	3,100,000
FY 2017 Proposed	500,000
Capital Share Remaining	2,000,000
Project Total	5,600,000

Improve Community and Neighborhood Parks

Department

Recreation/Parks and Open Space

Project Description

Provide funds to improve and upgrade amenities within community parks around the city such as playgrounds and playing fields.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☑ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000
FY 2016 Approved	500,000	250,000	250,000	250,000	250,000	N/A	1,500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	15,000	15,000	15,000	15,000	15,000	75,000
Construction/FFE	N/A	235,000	235,000	235,000	235,000	235,000	1,175,000
Total	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000

Prior Capital Funding	4,715,000
FY 2017 Proposed	250,000
Capital Share Remaining	1,000,000
Project Total	5,965,000

Improve Existing Community Centers

Department

Recreation/Parks and Open Space

Project Description

Provide funds for improvements to entranceways, landscaping, and interior and exterior renovations. Planned work will enhance the appearance, serviceability, and safety at various recreation centers throughout the city.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☑

Educational Community ☑ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000
FY 2016 Approved	450,000	200,000	200,000	200,000	200,000	N/A	1,250,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	15,000	15,000	15,000	15,000	15,000	75,000
Construction/FFE	N/A	185,000	185,000	185,000	185,000	185,000	925,000
Total	N/A	200,000	200,000	200,000	200,000	200,000	1,000,000

Prior Capital Funding	3,450,000
FY 2017 Proposed	200,000
Capital Share Remaining	800,000
Project Total	4,450,000

Improve Neighborhood Streets - Major

Department

Public Works

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds for the installation of new curbs, gutters, sidewalks, resurfacing, and drainage improvements in various neighborhood locations in accordance with prioritized needs and the city's Complete Streets Initiative. The Complete Streets Initiative promotes safe access for all users including pedestrians, bicyclists, motorists, and transit users of all ages and abilities.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	300,000	300,000	300,000	300,000	300,000	1,500,000
FY 2016 Approved	600,000	300,000	300,000	300,000	300,000	N/A	1,800,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	30,000	30,000	30,000	30,000	30,000	150,000
Construction/FFE	N/A	270,000	270,000	270,000	270,000	270,000	1,350,000
Total	N/A	300,000	300,000	300,000	300,000	300,000	1,500,000

Prior Capital Funding	9,171,000
FY 2017 Proposed	300,000
Capital Share Remaining	1,200,000
Project Total	10,671,000

Improve Neighborhoods Citywide

Department

Executive

Property Address:

Citywide

Customers Served

Residents ☐ Business ☐ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds for the improvement of emerging neighborhoods throughout the city. The project will support select emerging neighborhoods such as the Arts District, Parkplace/35th Street, Five Points, Church Street, and Ocean View including Bay Oaks Park. Activities may include the acquisition of blighted properties, renovations, and improvements that help to revitalize neighborhoods.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	12,500,000
FY 2016 Approved	0	0	0	0	0	N/A	0
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Construction/FFE	N/A	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Total	N/A	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	12,500,000

Prior Capital Funding	0
FY 2017 Proposed	2,500,000
Capital Share Remaining	10,000,000
Project Total	12,500,000

Improve Street Lights

Department

Public Works

Project Description

Provide funds to improve the street lighting infrastructure system and help improve public safety through special projects, infrastructure expansion, and repair programs for and conversion of street lights.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	100,000	100,000	100,000	100,000	100,000	500,000
FY 2016 Approved	100,000	100,000	100,000	100,000	100,000	N/A	500,000
Estimated Operating Budget Impact	N/A	35,000	35,000	35,000	35,000	35,000	175,000

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	100,000	100,000	100,000	100,000	100,000	500,000
Total	N/A	100,000	100,000	100,000	100,000	100,000	500,000

Prior Capital Funding	2,363,500
FY 2017 Proposed	100,000
Capital Share Remaining	400,000
Project Total	2,863,500

Maintain Fire Stations

Department

General Services

Project Description

Provide funds to maintain fire station dormitories, aprons, and air filtration systems. Improvements may include privacy partitioning, bathroom renovations, driveways (apron) repairs, and diesel exhaust filtration systems replacement. Planned projects will impact all fire stations.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☑ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	1,000,000	0	0	0	0	1,000,000
FY 2016 Approved	0	0	0	0	0	N/A	0
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	50,000	0	0	0	0	50,000
Construction/FFE	N/A	950,000	0	0	0	0	950,000
Total	N/A	1,000,000	0	0	0	0	1,000,000

Prior Capital Funding	0
FY 2017 Proposed	1,000,000
Capital Share Remaining	0
Project Total	1,000,000

Repair Neigh. Sts/Sidewalks/Walkways

Department

Public Works

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds for the repair or rehabilitation of streets, sidewalks, curbs, gutters, promenades, street pavements, and walkways throughout neighborhoods, in accordance with the city's Complete Streets Initiative. The Complete Streets Initiative promotes safe access for all users including pedestrians, bicyclists, motorists, and transit users of all ages and abilities.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000
FY 2016 Approved	500,000	250,000	250,000	250,000	250,000	N/A	1,500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	25,000	25,000	25,000	25,000	25,000	125,000
Construction/FFE	N/A	225,000	225,000	225,000	225,000	225,000	1,125,000
Total	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000

Prior Capital Funding	12,955,000
FY 2017 Proposed	250,000
Capital Share Remaining	1,000,000
Project Total	14,205,000

Support Jail Improvements

Department

General Services

Project Description

Provide funds for jail improvement projects, including security surveillance system replacement, windows, and general maintenance. The jail's door controller, camera, and recording system will be replaced. This system is the primary security surveillance system used in the jail.

Property Address:

811 E. City Hall Ave

Customers Served

Residents ☑ Business ☐ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	5,400,000	1,200,000	0	0	0	6,600,000
FY 2016 Approved	0	0	0	0	0	N/A	0
Estimated Operating Budget Impact	N/A	0	93,577	93,577	93,577	93,577	374,308

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	270,000	70,000	0	0	0	340,000
Construction/FFE	N/A	5,130,000	930,000	200,000	0	0	6,260,000
Total	N/A	5,400,000	1,000,000	200,000	0	0	6,600,000

Prior Capital Funding	0
FY 2017 Proposed	5,400,000
Capital Share Remaining	1,200,000
Project Total	6,600,000

Well-Managed Government

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Fund Preliminary Engineering

Department

Public Works

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☑ Tourists/Visitors ☑

Project Description

Provide funds for the preliminary design work, engineering and support services within the Department of Public Works for major capital projects. By internally supporting these services with city staff, a cost savings is achieved by retaining firsthand knowledge and expertise of project completion while adhering to city's policy areas. Preliminary Engineering will be phased out of the CIP over the next two fiscal years. In FY 2018, funding for Preliminary Engineering is planned to be split between the General Fund Operating and the CIP with FY 2019 funding supported by the General Fund.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	2,259,000	1,159,000	0	0	0	3,418,000
FY 2016 Approved	3,359,000	2,259,000	1,159,000	0	0	N/A	6,777,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	2,259,000	1,159,000	0	0	0	3,418,000
Construction/FFE	N/A	0	0	0	0	0	0
Total	N/A	2,259,000	1,159,000	0	0	0	3,418,000

Prior Capital Funding	36,410,882
FY 2017 Proposed	2,259,000
Capital Share Remaining	1,159,000
Project Total	39,828,882

Improve Infrastructure and Acquire Property

Department

Executive

Project Description

Provide funds to address various infrastructure, disposition, and acquisition needs, as they arise.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☐ Tourists/Visitors ☐

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
FY 2016 Approved	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	N/A	5,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	100,000	100,000	100,000	100,000	100,000	500,000
Construction/FFE	N/A	900,000	900,000	900,000	900,000	900,000	4,500,000
Total	N/A	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

Prior Capital Funding	10,200,000
FY 2017 Proposed	1,000,000
Capital Share Remaining	4,000,000
Project Total	15,200,000

Improve Roof Repair and Moisture Protection

Department

General Services

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☑

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for the continued inspection, repair, and replacement of roofs on city-owned buildings. Planned activities include the repair or replacement of roofs at libraries, cultural facilities, recreational facilities, and other city buildings. These funds also support citywide emergencies, inspections, and design costs.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000
FY 2016 Approved	250,000	250,000	250,000	250,000	250,000	N/A	1,250,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000
Total	N/A	250,000	250,000	250,000	250,000	250,000	1,250,000

Prior Capital Funding	11,583,300
FY 2017 Proposed	250,000
Capital Share Remaining	1,000,000
Project Total	12,833,300

Maintain Municipal Facilities

Department

General Services

Property Address:

Citywide

Customers Served

Residents ☑ Business ☐ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds to renovate and improve civic buildings, office space, and city-owned service facilities. FY 2017 funding includes support for Town Point Park drainage issues. Phase I of a comprehensive building assessment study was completed last year to help prioritize the repair of city building infrastructure. Phase II of the study is currently underway and will identify additional infrastructure needs.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
FY 2016 Approved	3,000,000	1,000,000	1,000,000	1,000,000	1,000,000	N/A	7,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	550,000	100,000	100,000	100,000	100,000	950,000
Construction/FFE	N/A	1,450,000	900,000	900,000	900,000	900,000	5,050,000
Total	N/A	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000

Prior Capital Funding	14,218,246
FY 2017 Proposed	2,000,000
Capital Share Remaining	4,000,000
Project Total	20,218,246

Maintain USS Wisconsin BB-64

Department

Maritime Center

Property Address:

1 Waterside Drive

Customers Served

Residents ☑ Business ☐ City Services ☐

Educational Community ☑ Tourists/Visitors ☑

Project Description

Provide funds for the improvements, maintenance, and long-term upkeep of the USS Wisconsin. Funding may include improvements to interior spaces, maintenance, and repair needs to the battleship; cleaning, repair, and painting of the hull; accessibility improvements for doors and egress; anti-corrosion applications above water; equipment and systems improvements; and required environmental testing.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000
FY 2016 Approved	500,000	500,000	500,000	500,000	500,000	N/A	2,500,000
Estimated Operating Budget Impact	N/A	61,547	70,732	10,800	11,000	11,000	165,079

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000
Total	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000

Prior Capital Funding	2,250,000
FY 2017 Proposed	500,000
Capital Share Remaining	2,000,000
Project Total	4,750,000

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Parking Facilities

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Maintain Parking Facilities

Department

Parking Facilities

Project Description

Provide funds for the long-term maintenance of city parking facilities. Long-term improvement projects may include structural and ventilation improvements for city parking facilities.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	14,500,000
FY 2016 Approved	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	N/A	14,500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	300,000	300,000	300,000	300,000	300,000	1,500,000
Construction/FFE	N/A	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	13,000,000
Total	N/A	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	14,500,000

Prior Capital Funding	9,700,000
FY 2017 Proposed	2,900,000
Capital Share Remaining	11,600,000
Project Total	24,200,000

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Storm Water Utility

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Create Citywide Flooding Reserve

Department

Storm Water Utility

Project Description

Provide funds to create a citywide flooding reserve in preparation for the broad citywide flooding control project. This project is being funded by the $1.00 Storm Water fee increase approved in FY 2013. Funding will be reserved to support the city's efforts in flood mitigation.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☑ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	1,315,200	1,315,200	1,315,200	1,315,200	1,315,200	6,576,000
FY 2016 Approved	1,315,200	1,315,200	1,315,200	1,315,200	1,315,200	N/A	6,576,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	1,315,200	1,315,200	1,315,200	1,315,200	1,315,200	6,576,000
Construction/FFE	N/A	0	0	0	0	0	0
Total	N/A	1,315,200	1,315,200	1,315,200	1,315,200	1,315,200	6,576,000

Prior Capital Funding	5,260,800
FY 2017 Proposed	1,315,200
Capital Share Remaining	5,260,800
Project Total	11,836,800

Improve Storm Water Quality

Department

Storm Water Utility

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☑ Tourists/Visitors ☑

Project Description

Provide funds to continue best practices used to reduce storm water related pollutants entering local waterways, rivers, and the Chesapeake Bay. In addition, planned work includes the continuation of the wetlands restoration initiative, led by the Army Corps of Engineers, and a systematic program for dredging of silted-in and obstructed storm water outfalls around the city.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	950,000	950,000	950,000	950,000	950,000	4,750,000
FY 2016 Approved	950,000	950,000	950,000	950,000	950,000	N/A	4,750,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	95,000	95,000	95,000	95,000	95,000	475,000
Construction/FFE	N/A	855,000	855,000	855,000	855,000	855,000	4,275,000
Total	N/A	950,000	950,000	950,000	950,000	950,000	4,750,000

Prior Capital Funding	8,250,000
FY 2017 Proposed	950,000
Capital Share Remaining	3,800,000
Project Total	13,000,000

Improve Storm Water System

Department

Storm Water Utility

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds to improve storm water facilities, including installation of standby power generators at underpass storm water stations, coupled with replacement of pumps, controls, electrical systems, valves, and piping that are approaching the end of their service life. In addition, installation and replacement of tide flap valves at some city storm water outfalls will be made to reduce tidal flooding during aberrant tide conditions.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	600,000	600,000	600,000	600,000	600,000	3,000,000
FY 2016 Approved	600,000	600,000	600,000	600,000	600,000	N/A	3,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	60,000	60,000	60,000	60,000	60,000	300,000
Construction/FFE	N/A	540,000	540,000	540,000	540,000	540,000	2,700,000
Total	N/A	600,000	600,000	600,000	600,000	600,000	3,000,000

Prior Capital Funding	11,050,000
FY 2017 Proposed	600,000
Capital Share Remaining	2,400,000
Project Total	14,050,000

Improve Storm Water Waterfront Facilities

Department

Storm Water Utility

Project Description

Provide funds for non-routine inspections, maintenance, repair, rehabilitation, and replacement of deteriorated bulkheads citywide.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000
FY 2016 Approved	500,000	500,000	500,000	500,000	500,000	N/A	2,500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	50,000	50,000	50,000	50,000	50,000	250,000
Construction/FFE	N/A	450,000	450,000	450,000	450,000	450,000	2,250,000
Total	N/A	500,000	500,000	500,000	500,000	500,000	2,500,000

Prior Capital Funding	7,000,000
FY 2017 Proposed	500,000
Capital Share Remaining	2,000,000
Project Total	9,500,000

Reduce Neighborhood Flooding

Department

Storm Water Utility

Project Description

Provide funds for neighborhood flood mitigation programs, which address various drainage system improvements, repairs, rehabilitation, cleaning, and drainage studies in neighborhoods throughout the city.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☑ Tourists/Visitors ☑

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	7,250,000
FY 2016 Approved	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	N/A	7,250,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	145,000	145,000	145,000	145,000	145,000	725,000
Construction/FFE	N/A	1,305,000	1,305,000	1,305,000	1,305,000	1,305,000	6,525,000
Total	N/A	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	7,250,000

Prior Capital Funding	16,700,000
FY 2017 Proposed	1,450,000
Capital Share Remaining	5,800,000
Project Total	23,950,000

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Wastewater Utility

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Improve Wastewater Collection System

Department

Wastewater Utility

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds for the replacement or rehabilitation of several thousand feet of gravity sanitary sewer pipe to eliminate overflows. In addition, upgrades to pump stations and failing sections of force mains are planned. Project funding increased due to the rising backlog of infrastructure improvements needed of the wastewater collection system.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	100,000,000
FY 2016 Approved	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	N/A	85,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Construction/FFE	N/A	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	90,000,000
Total	N/A	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	100,000,000

Prior Capital Funding	190,505,000
FY 2017 Proposed	20,000,000
Capital Share Remaining	80,000,000
Project Total	290,505,000

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Water Utility

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Comply With Safe Drinking Water Act Amendments

Department

Water Utility

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for aging laboratory equipment and process changes to address general water quality issues and water treatment improvements, as they relate to Safe Drinking Water Act compliance. Project funding increased due to Environmental Protection Agency (EPA) revised water treatment process regulations.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	400,000	300,000	1,300,000	500,000	300,000	2,800,000
FY 2016 Approved	0	100,000	0	1,000,000	200,000	N/A	1,300,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	100,000	50,000	300,000	100,000	50,000	600,000
Construction/FFE	N/A	300,000	250,000	1,000,000	400,000	250,000	2,200,000
Total	N/A	400,000	300,000	1,300,000	500,000	300,000	2,800,000

Prior Capital Funding	1,120,000
FY 2017 Proposed	400,000
Capital Share Remaining	2,400,000
Project Total	3,920,000

Design and Construct 37th Street Plant

Department

Water Utility

Property Address:

37th Street

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☑

Project Description

Provide funds for necessary modifications to the 37th Street Water Treatment Plant to replace critical systems and components, such as clarification basins and finished water storage. This project was previously planned for FY 2020, but will be phased in earlier to adhere to new disinfectant by-product regulations.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	500,000	500,000	500,000	2,000,000	1,000,000	4,500,000
FY 2016 Approved	0	0	0	0	5,000,000	N/A	5,000,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	100,000	100,000	100,000	400,000	200,000	900,000
Construction/FFE	N/A	400,000	400,000	400,000	1,600,000	800,000	3,600,000
Total	N/A	500,000	500,000	500,000	2,000,000	1,000,000	4,500,000

Prior Capital Funding	35,000,000
FY 2017 Proposed	500,000
Capital Share Remaining	4,000,000
Project Total	39,500,000

Implement Meter Change-Out Program

Department

Water Utility

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds for the replacement of old and malfunctioning water meters throughout the city. Additional water meters are planned for replacement in FY 2017 requiring an increased amount of funding. An automated meter reading system is anticipated to be implemented in FY 2021 which will provide increased efficiencies.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	400,000	150,000	150,000	200,000	3,150,000	4,050,000
FY 2016 Approved	150,000	150,000	150,000	150,000	150,000	N/A	750,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	400,000	150,000	150,000	200,000	3,150,000	4,050,000
Total	N/A	400,000	150,000	150,000	200,000	3,150,000	4,050,000

Prior Capital Funding	650,000
FY 2017 Proposed	400,000
Capital Share Remaining	3,650,000
Project Total	4,700,000

Improve Water Pipeline Infrastructure

Department

Water Utility

Project Description

Provide funds for the continued improvement of the city's raw water and treated water transmission and distribution systems.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	12,000,000	11,000,000	10,040,000	6,600,000	7,000,000	46,640,000
FY 2016 Approved	12,700,000	12,000,000	11,000,000	11,040,000	6,400,000	N/A	53,140,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	1,000,000	1,000,000	1,000,000	1,000,000	500,000	4,500,000
Construction/FFE	N/A	11,000,000	10,000,000	9,040,000	5,600,000	6,500,000	42,140,000
Total	N/A	12,000,000	11,000,000	10,040,000	6,600,000	7,000,000	46,640,000

Prior Capital Funding	130,911,000
FY 2017 Proposed	12,000,000
Capital Share Remaining	34,640,000
Project Total	177,551,000

Rehabilitate Reservoirs Systemwide

Department

Water Utility

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Project Description

Provide funds for multiple rehabilitation and watershed protection measures for systemwide reservoirs. This project will help maintain high quality and sufficient quantity of water for customers, as well as, ensuring compliance with Commonwealth of Virginia Dam Safety Regulations. Project funding increased due to the Department of Enviornmental Quality requirements for ongoing maintenance and to provide support for the reservoir in the Norfolk Botancial Garden.

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	3,650,000	3,733,333	1,183,333	1,853,334	550,000	10,970,000
FY 2016 Approved	1,050,000	350,000	5,250,000	0	2,390,000	N/A	9,040,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	250,000	333,333	183,333	353,334	50,000	1,170,000
Construction/FFE	N/A	3,400,000	3,400,000	1,000,000	1,500,000	500,000	9,800,000
Total	N/A	3,650,000	3,733,333	1,183,333	1,853,334	550,000	10,970,000

Prior Capital Funding	7,075,000
FY 2017 Proposed	3,650,000
Capital Share Remaining	7,320,000
Project Total	18,045,000

Replace Master Meters

Department

Water Utility

Project Description

Provide funds for the continued replacement of distribution system master meters, to ensure accuracy of billing as determined by the water readers.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☐

Educational Community ☐ Tourists/Visitors ☐

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	0	120,000	0	120,000	0	240,000
FY 2016 Approved	120,000	120,000	120,000	120,000	120,000	N/A	600,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	0	0	0	0	0
Construction/FFE	N/A	0	120,000	0	120,000	0	240,000
Total	N/A	0	120,000	0	120,000	0	240,000

Prior Capital Funding	460,000
FY 2017 Proposed	0
Capital Share Remaining	240,000
Project Total	700,000

Upgrade Moores Bridges Water Treatment Plant

Department

Water Utility

Project Description

Provide funds for required upgrades at the Moores Bridges Water Treatment Plant, such as storage tanks, chemical feeders, and solids removal systems. Project funds increased due to the need to replace antiquated storage tanks.

Property Address:

6040 Water Works Road

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Financial Summary

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	9,000,000	5,000,000	7,000,000	7,000,000	5,000,000	33,000,000
FY 2016 Approved	1,500,000	3,000,000	2,000,000	0	7,000,000	N/A	13,500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	1,000,000	500,000	500,000	500,000	500,000	3,000,000
Construction/FFE	N/A	8,000,000	4,500,000	6,500,000	6,500,000	4,500,000	30,000,000
Total	N/A	9,000,000	5,000,000	7,000,000	7,000,000	5,000,000	33,000,000

Prior Capital Funding	24,450,000
FY 2017 Proposed	9,000,000
Capital Share Remaining	24,000,000
Project Total	57,450,000

Upgrade Northstar Billing System

Department

Water Utility

Project Description

Provide funds for upgrades to the billing system to ensure accurate billing calculations.

Property Address:

Citywide

Customers Served

Residents ☑ Business ☑ City Services ☑

Educational Community ☐ Tourists/Visitors ☐

Financial Summary

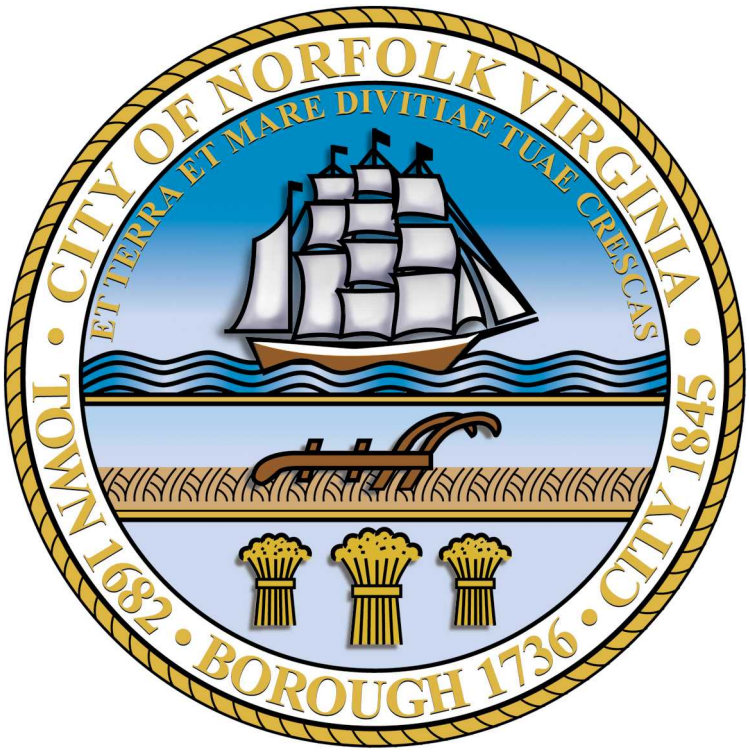
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
FY 2017 Proposed	N/A	0	50,000	0	400,000	50,000	500,000
FY 2016 Approved	50,000	0	50,000	0	400,000	N/A	500,000
Estimated Operating Budget Impact	N/A	0	0	0	0	0	0

Anticipated Project Timeline:

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	TOTAL
Planning/Design/Other	N/A	0	50,000	0	400,000	50,000	500,000
Construction/FFE	N/A	0	0	0	0	0	0
Total	N/A	0	50,000	0	400,000	50,000	500,000

Prior Capital Funding	350,000
FY 2017 Proposed	0
Capital Share Remaining	500,000
Project Total	850,000

Annual Plan


CITY OF NORFOLK VIRGINIA
ET TERRA ET MARE DIVITIAE TUAE CRESCAS
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ANNUAL PLAN

The Fiscal Year 2017 Annual Action Plan represents the first year of the City of Norfolk's 2017 through 2022 Consolidated Plan period. U.S. Department of Housing and Urban Development (HUD) regulations require that every three to five years participating jurisdictions prepare a Consolidated Plan. A Consolidated Plan is developed with the purpose of identifying opportunities for strategic planning and citizen participation using a comprehensive approach. The Consolidated Plan enables the city, community based organizations, and citizens to provide input that directs the scope of activities upon which to focus during the plan period.

Annually, during the Consolidated Plan period, grantees are required to prepare an Annual Action Plan to update the goals and objectives for planned projects and programs, and to demonstrate how these activities relate to the Consolidated Plan. The Annual Plan describes priority projects for neighborhood revitalization, public improvements, housing development, economic development, public services, and activities to reduce homelessness. The Annual Plan also identifies funding priorities and details the projects proposed to receive Federal funds under the Community Development Block Grant (CDBG) Program, HOME Investment Partnership (HOME) Program, and Emergency Solutions Grant (ESG) Program.

For the current Consolidated Plan period (FY 2017 - 2022), the city will continue to focus on programs and services designed to benefit lower income residents of Norfolk. Efforts outlined in both the Consolidated Plan and the Annual Action Plan are identified utilizing HUD's Performance Outcome Measurement System outcome categories: Economic Opportunities, Suitable Living Environments, and Decent Housing. Funding considerations are given to a broad range of issues that include, but are not limited to:

- Efforts to eliminate homelessness
- Methods for improving housing quality
- Increasing homeownership
- Strengthening economic development opportunities

Available Resources

CDBG Entitlement	3,885,982
CDBG Program Income	0
CDBG Revolving Loan Fund (Rehab Payments)	250,000
CDBG Fund Balance (Reprogrammable Dollars)	937,966
Total Community Development Block Grant Program	5,073,948
Emergency Shelter Grant Program	348,293
HOME Entitlement	916,076
Total Resources	6,338,317

Community Development Block Grant Program (CDBG)

The CDBG Program is a federal funding source that allows local officials and residents unprecedented flexibility in designing programs within a wide-range of eligible activities. The CDBG Program was created over 30 years ago under the administration of President Gerald R. Ford. From its inception, the goal of the CDBG program remains the same: to encourage more broadly conceived community development projects, and expand housing opportunities for people living in low and moderate-income households.

The city's budget for the FY 2017 CDBG Program is $4,135,982, which includes an estimated $250,000 in Rehabilitation Loan Payments from prior years. The Proposed FY 2017 Annual Plan continues a concentrated effort to adequately fund homeless programs. This directly correlates with establishing the Norfolk Poverty Commission

and the city's priority to end homelessness. Additionally, in FY 2017, the city will continue to manage the homeowner rehabilitation program, as well a launch a new rental rehabilitation program.

COMPARISON OF GRANT RESOURCES - FY 2016 to FY 2017				
	FY 2016	**FY 2017**	**Inc/Dec Amount**	**% Difference**
CDBG Entitlement	3,869,059	3,885,982	16,923	
CDBG Program Income	0	0	0	
CDBG Revolving Loan Fund	250,000	250,000	0	
CDBG Fund Balance	0	0	0	
CDBG Total	**4,119,059**	**4,135,982**	**16,923**	**0.4%**
ESG Total	**346,458**	**348,293**	**1,835**	**0.5%**
HOME Entitlement	881,459	916,076	34,617	
HOME Program Income	0	0	0	
HOME Fund Balance	0	0	0	
HOME Total	**881,459**	**916,076**	**34,617**	**3.9%**
Grand Total	**5,346,976**	**5,400,351**	**53,375**	**1.0%**

CDBG entitlement is divided into three sections: public service, administration, and project use.

Land Inventory

The CDBG Land Inventory is a registry of land acquired with CDBG funds. The goal of the inventory is to provide a centralized repository of land suitable for residential development, including vacant sites and sites having potential for redevelopment. CDBG regulations require that grantees maintain an up to date inventory of land acquired with CDBG funds that includes, at a minimum: the legal address; block and parcel i.d.; the purchase price; the estimated fair market value; and the property's suitability for redevelopment.

For more than two decades NRHA, acting on behalf of the city, has acquired hundreds of properties for the single purpose of creating residential redevelopment that results in an increased number of viable housing units for low to moderate income individuals. In FY 2013, the city made a decision to halt property acquisition with the use of CDBG funds. At this time there are number of properties that were purchased with CDBG funds that have not been disposed of and, therefore, have not met a broad national objective (BNO), which would most commonly be the creation of low to moderate income housing units as required by CDBG regulations.

The city and NRHA are currently analyzing all open IDIS numbers and formulating remediation plans. It is expected that during FY 2017 a formal plan and agreement will be reached with HUD regarding open IDIS activities reflected in the Land Inventory that require disposition. This agreement and subsequent disposition activity will significantly reduce the size of the CDBG Land Inventory and support efforts to dispose of all CDBG acquired property.

HOME Investment Partnerships Program (HOME)

The goal of HOME Program funding is to stimulate revitalization of inner-city neighborhoods by providing assistance to first-time homebuyers and existing homeowners. Proposed FY 2017 HOME funds provide assistance for the purchase of newly constructed homes, rehabilitation of owner-occupied homes, and improvements to multi-family dwellings. The strategy for these communities is to strengthen traditional neighborhood characteristics by rehabilitating homes, building new homes that emulate the impressive architectural style of existing structures, enhancing security and aesthetics with streetscape improvements, including trees and lighting, and providing key retail services and employment opportunities. Additionally FY 2017 HOME funds are used to

provide Tenant Based Rental Assistance (TBRA). TBRA is a rental subsidy program that helps individual households afford housing costs such as rent, utilities, security deposits, and/or utility deposits. The city is using TBRA as a resource in its efforts to end homelessness.

Emergency Solutions Grant Program (ESG)

The ESG Program, restructured by HUD in FY 2014, has been expanded to fund new activities such as Street Outreach and Rapid Re-housing. The ESG Program will continue to provide short-term homeless prevention assistance to persons at imminent risk of losing their own home due to eviction, foreclosure, or utility shutoffs. This program currently provides funding for the Department of Human Services, the Planning Council, and five emergency shelters.

Prior Year Self-Evaluation

In FY 2016, the city funded 15 public service programs. The funding for these programs encompassed a variety of services to benefit seniors, homeless persons, and other special needs groups. Award amounts ranged from $11,079 to $95,158. The city also supported three community development projects - "bricks and mortar" activities - based on clearly identified needs. Among these initiatives were programs that focused on handicap accessibility projects and home maintenance repairs for special needs populations and low to moderate-income homeowners. Both the public service programs and the community development projects are based on priorities identified in the 2012-2016 Consolidated Plan. Specific program accomplishments, which include the percent of goals that are met, are provided in the Goals and Accomplishments Summary section of the Consolidated Plan.

Over the last year, the city has recognized several administrative successes. Financial monitoring was conducted for all sub-recipients and on-site monitoring was completed for the majority of public service sub-recipients. Mandatory training was held for all sub-recipients to improve compliance. The city expects to meet its timeliness ratio prior to May 2, 2016.

Community Development Public Service	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
AIDS Care Center for Education and Support Services Housing Solutions	39,529	39,529	39,529
Child and Family Services of Eastern Virginia	26,353	26,353	26,353
Community Services Board Jail Case Management	0	0	18,367
City of Norfolk Community Development Initiatives Program	0	13,147	0
Department of Human Services Emergency Utility Assistance	69,214	69,214	66,532
Ecumenical Family Shelter (The Dwelling Place) In-Home Services for Previously Homeless Families	15,812	0	0
Foodbank of Southeastern Virginia	29,000	29,000	29,000
F.O.R. Kids Permanent Supportive Housing Solutions	20,000	20,000	20,000
Norfolk Police Department Crisis Intervention Team	75,000	75,000	75,000

Community Development Public Service	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
Park Place Dental Clinic (formerly American Red Cross Dental Clinic)	35,137	35,137	35,137
St. Columba Ecumenical Ministries Homeless Assistant	16,052	16,052	16,052
St. Columba Ecumenical Ministries Next Step Transitional Housing	22,000	22,000	22,000
The Planning Council Continuum of Care	37,808	37,808	37,808
The Planning Council ShelterLink	11,079	11,079	11,079
The Salvation Army Hope Day Center	95,158	95,158	95,158
Virginia Supportive Housing (Support Services for Gosnold)	25,000	25,000	25,000
Total CDBG Public Service	**517,142**	**514,477**	**517,015**

Community Development Project Use/Planning and Administration	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
City Planning Nuisance Abatement	200,000	200,000	100,000
City of Norfolk Community Infrastructure and Improvement Project	526,005	666,629	0
Department of Economic Development Local Incentive Hiring Fund	0	0	250,000
City of Norfolk Homeowner Rehabilitation and Repair Program	0	2,152,259	150,000
Department of Economic Development Economic Development Support	0	0	150,000
Department of Economic Development SWaM Activities and Business Cafes	0	0	300,000
Department of Public Works/General Services ADA Ramps	0	0	300,000
Department of Neighborhood Development Neighborhood Improvements	0	0	250,000
Department of General Services Improve Access to Public Beaches and Restrooms	0	0	300,000
Department of Communication and Technology Increase access to broadband/internet/bandwidth	0	0	513,085
Grant Administration	254,364	269,812	300,000
City of Norfolk Planning	0	0	190,000
Department of Neighborhood Development Rental Rehabilitation Program	0	0	500,000
Southeastern Tidewater Opportunity Project Home Maintenance	152,171	0	0

Community Development Project Use/Planning and Administration	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
The Planning Council The Healing Place	19,000	0	0
Total CDBG Project Use	**1,151,540**	**3,288,700**	**3,303,085**

Community Development – NRHA Projects	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
NRHA Administration	504,000	0	0
NRHA Home Repair Grant	518,311	0	0
NRHA Rehabilitation	1,129,947	0	0
Revolving Loan Fund	250,000	0	0
HomeNet (Public Service)	65,882	65,882	65,882
Total NRHA Project Use Allocation	**2,468,140**	**65,882**	**65,882**

Subtotal CDBG Entitlement Funds	**4,136,822**	**3,869,059**	**3,885,982**

Revolving Loan Fund	**0**	**250,000**	**250,000**

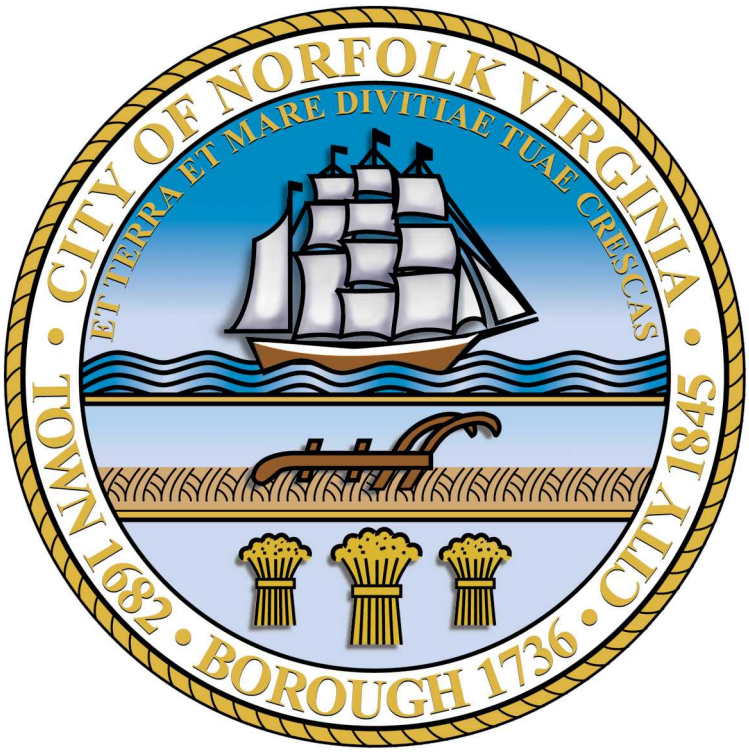
CDBG Reprogramming	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
City of Norfolk Community Infrastructure and Economic Development	0	0	303,333
Libraries Horace Downing Library Renovations	0	0	550,000
Community Services Board Jail Recidivism and Diversion Prevention	0	0	84,633
Total CDBG Reprogramming	**0**	**0**	**937,966**

Emergency Solutions Grant Program	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
ESG Administration	24,498	25,984	26,122
City of Norfolk Office to End Homelessness Street Outreach	28,500	28,500	29,405
F.O.R. Kids, Inc. Emergency Shelter	44,737	47,216	47,216
F.O.R. Kids, Inc. Rapid Rehousing	68,500	72,819	73,215

Emergency Solutions Grant Program	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
The Salvation Army Emergency Shelter	15,707	18,186	18,186
The Salvation Army Street Outreach	10,000	10,000	10,000
St. Columba Ecumenical Ministries, Inc. Emergency Shelter	27,000	29,479	29,479
The Planning Council, Inc. Homeless Prevention	62,492	66,796	67,192
Virginia Supportive Housing Street Outreach	15,000	15,000	15,000
YWCA of South Hampton Roads Emergency Shelter (Domestic Violence)	30,000	32,478	32,478
Total Emergency Solutions Grant	**326,434**	**346,458**	**348,293**

HOME Investment Partnership Program	FY 2015 Approved	FY 2016 Approved	FY 2017 Proposed
CHDO Set-Aside Requirement	143,796	132,219	137,411
Department of Human Services	45,711	100,000	100,000
HOME Administration - NRHA	95,864	88,146	91,607
Homebuyer Assistance	533,381	490,720	500,000
Office to End Homelessness – TBRA	139,887	70,374	87,058
Total HOME Program	**958,639**	**881,459**	**916,076**

Norfolk Statistical Information



Norfolk Statistical Information

Form of Government

Norfolk is an independent, full service city with sole local government taxing power within its boundaries. It derives its governing authority from a charter (the "Charter") originally adopted by the General Assembly of Virginia in 1918, which authorizes a Council-Manager form of government. The members are elected to office under a ward-based system with two members elected from citywide super wards. Beginning July 1, 2006, as a result of a charter change approved by the Virginia General Assembly, Norfolk swore in the first mayor elected at large. Prior to that time, the mayor was appointed by the City Council. Among the city officials currently appointed by the City Council is the City Manager, who serves as the administrative head of the municipal government. The City Manager carries out the city's policies, directs business procedures and appoints, has the power to remove the heads of departments and other employees of the city except those otherwise specifically covered by statutory provisions. The City Council also appoints certain boards, commissions and authorities of the city.

The city provides a full range of services including: police protection; fire and paramedical services; mental health, and social services; planning and zoning management; neighborhood preservation and code enforcement; environmental storm water management; local street maintenance; traffic control; design and construction of city buildings and infrastructure; parks and cemeteries operations and maintenance; recreation and library services; solid waste disposal and recycling; general administrative services; water and wastewater utilities; and construction and operation of parking facilities. The city budget allocates state and federal pass through funds for education, public health, and other programs.

Geography

Norfolk lies at the mouth of the James and Elizabeth Rivers and the Chesapeake Bay, and is adjacent to the Atlantic Ocean and the cities of Virginia Beach, Portsmouth and Chesapeake. It has seven miles of Chesapeake Bay beachfront and a total of 144 miles of shoreline along the lakes, rivers, and bay.

Community Profile

The City of Norfolk was established as a town in 1682, then as a borough in 1736, and it was incorporated as a city in 1845. Norfolk is a city of approximately 246,000 residents and more than 100 diverse neighborhoods. It is the cultural, educational, business and medical center of Hampton Roads that hosts the region's international airport and one of the busiest international ports on the east coast of the United States.

The city is home to the world's largest naval complex with headquarters for Commander in Chief of U.S. Atlantic Command, NATO Supreme Allied Command Atlantic, Commander in Chief U.S. Atlantic Fleet and other major naval commands. According to information released by the U.S. Navy in November of 2015, the Navy's direct economic impact to the region saw an increase of approximately $770 million FY 2014 from FY 2013. Total annual payroll (military and civilian) remained steady at $8.4 billion. However, procurement expenditures increased $160 million from approximately $1.3 billion in FY 2013 to $1.46 billion in FY 2014. Approximately 70,227 active duty Navy military personnel were in Hampton Roads in 2014 and approximately 57 percent were assigned to Norfolk. In addition, there were approximately 32,197 Navy civilian employees in Hampton Roads and 42 percent were located in Norfolk in FY 2014. The military presence also provides a highly qualified pool of veterans for local businesses.

The city also serves as a gateway between world commerce centers and the industrial heartland of the United States. With one of the world's largest natural deep-water harbors and a temperate climate, the city hosts the Norfolk International Terminals (NIT), one of the largest general cargo ports on the east coast. The Port's container volume for the fiscal year ended June 30, 2015 was 2,510,099 TEU's (twenty-foot equivalent container units), an increase of 8.9 percent from FY 2014. Annually, Port related business provides over 374,000 jobs, $60.0 billion in revenues, $17.5 billion in payroll compensation, and $1.4 billion in local tax revenues.

Economic development initiatives are focused on the attraction, expansion and retention of businesses playing to the city's strengths, which include maritime, higher education, medical and research facilities, neighborhood and community revitalization and commercial corridor development. Under the city's plan to promote the highest and best use for scarce land, real property assessed values increased 100.2 percent since 2003 (from $9,356,760 in 2003 to $18,734,201 in 2015).

The city continues to undergo a successful renewal including new office, retail, entertainment and hotel construction downtown, new residential development along the rivers and bay front and revitalization projects in many of its neighborhoods. Norfolk is home to The Tide, Virginia's first and only light rail system and the Commonwealth's only cruise terminal. Currently, many state-of-the-art construction projects are underway, including a downtown hotel and convention center, and a revitalized Waterside Live entertainment complex.

City Facts

Total square miles: 65.98; Total square miles of land: 54

Population estimate (Weldon Cooper Center): 247,189

Median household income (American Community Survey 2014 5 year estimate): $44,150

Average sales price for existing single family homes (2015): $196,400

Average sales price for new single family homes (2015): $311,800

Total residential homes sold (2015, attached and detached): 2,870

Percentage of non-taxable property (2015): 38%

Number of public schools:

- Elementary schools: 35
- Middle schools: 8
- High schools: 5
- Preschools: 2
- Special Purpose Schools: 3
- Other School Facilities: 4

City Facts Continued

Public institutions of higher learning:

- Old Dominion University
- Norfolk State University
- Tidewater Community College

Private institutions of higher learning:

- Eastern Virginia Medical School
- Virginia Wesleyan College

Number of parks:

- Two festival parks (specially designated parks which are permitted, can support festivals, and comply with ABC Board regulations)
- Six community parks (10 acres in size or larger which support a variety of both active and passive activities)
- 37 neighborhood active parks (typically 10 acres or less that provide some type of recreational component for active play)
- 27 neighborhood passive parks (typically 10 acres or less with no active play component or equipment)
- 12 dog parks

Number of community centers: 20

Number of public pools: 6

Number of libraries: 1 main library, 1 anchor branch, 10 branches and one bookmobile

Number of major venues for public performances: 7

Home to the first cruise ship terminal in Virginia

Established the first light rail system in Virginia, which runs a total length of 7.4 miles and has a total of 11 stations with 4 park-and-ride lots

ASSESSED VALUE OF TAXABLE PROPERTY

Table 1: Assessed Valuations of Taxable Property 2003-2015 (In thousands)

Year	Real Property	Personal Property	Other Property	Total Taxable Assessed Value
2003	$9,356,760	$1,311,951	$271,046	$10,939,757
2004	$10,029,639	$1,503,713	$281,578	$11,814,930
2005	$10,960,812	$1,569,991	$305,154	$12,835,957
2006	$12,691,527	$1,655,021	$316,863	$14,663,411
2007	$15,607,512	$1,687,318	$324,387	$17,619,217
2008	$18,401,851	$1,983,503	$193,287	$20,578,641
2009	$19,397,795	$1,676,811	$233,703	$21,308,309
2010	$19,940,273	$1,610,680	$226,801	$21,777,754
2011	$19,320,642	$1,832,276	$230,756	$21,383,647
2012	$18,676,729	$1,613,797	$238,497	$20,529,023
2013	$18,319,947	$1,532,337	$241,023	$20,093,307
2014	$18,421,412	$1,112,330	$258,302	$19,792,044
2015	$18,734,201	$1,902,442	$255,710	$20,892,353

Source: City of Norfolk 2015 Comprehensive Annual Financial Report (CAFR)

ASSESSED PROPERTY VALUE CHANGE

Table 2: Proposed Assessed Value Change From 7/1/15 to 7/1/16 By Property Class

Property Class	July 1, 2015	Estimated Values July 1, 2016*	$ Difference	% Difference
Residential	$10,665,030,300	$10,780,821,700	$115,791,400	1.09%
Residential Condos	$1,045,520,500	$1,035,314,900	($10,205,600)	-0.98%
Commercial	$1,891,323,700	$1,945,782,000	$54,458,300	2.88%
Manufacturing	$3,709,664,300	$3,754,324,300	$44,660,000	1.20%
Apartments/Co-ops	$591,672,500	$594,914,700	$3,242,200	0.55%
Vacant Land**	$311,089,700	$319,807,900	$8,718,200	2.80%
Total	**$18,214,301,000**	**$18,430,965,500**	**$216,664,500**	**1.18%**

Source: Office of the Real Estate Assessor.
* Real Estate Assessor estimate of values by property class for July 1, 2016.

PRINCIPAL TAXPAYERS
Table 3: Principal Property Taxpayers in 2015

Rank	Taxpayer	Real Property Taxable Assessed Value	Percent of Total Assessed Value
1	Dominion Virginia Power Co.	$310,508,696	1.66%
2	Norfolk Western Railway Company	$198,408,924	1.06%
3	MacArthur Shopping Center LLC (Taubman Co.)	$180,366,200	0.96%
4	Old Dominion University Real Estate Foundation	$116,806,100	0.62%
5	Norfolk Southern	$93,590,800	0.50%
6	Verizon Virginia, Inc.	$84,861,347	0.45%
7	Virginia Natural Gas, Inc.	$72,856,378	0.39%
8	Wells Fargo Building	$70,561,700	0.38%
9	Dominion Enterprises	$61,618,200	0.33%
10	Military Circle Ltd. Partnership	$58,948,000	0.31%

Source: City of Norfolk 2015 Comprehensive Annual Financial Report (CAFR)

PRINCIPAL EMPLOYERS
Table 4: 25 Largest Employers in 2015

1. U.S. Department of Defense
2. Sentara Healthcare
3. Norfolk Public Schools
4. City of Norfolk
5. Old Dominion University, Norfolk
6. Children's Hospital of the King's Daughters
7. Norshipco
8. Eastern Virginia Medical School
9. Norfolk State University
10. U.S. Navy Exchange
11. Portfolio Recovery Association
12. Bon Secours DePaul Medical Center
13. Wal Mart
14. Anthem
15. Postal Service
16. Tidewater Community College
17. Sentara Health Management
18. Maersk Line Limited
19. U.S. Department of Homeland Defense
20. Virginia International Terminal
21. Colonnas Shipyard
22. CMA CGM America
23. CP&O LLC
24. ODU Research Foundation
25. Norfolk Naval Station

Source: Virginia Employment Commission, Virginia Community Profile, Norfolk City, Updated March, 2016

Table 5: Employers by Size of Establishment

Number of Employees	Norfolk	Virginia
0 to 4	2,749	146,978
5 to 9	941	37,715
10 to 19	856	27,759
20 to 49	637	20,311
50 to 99	227	7,167
100 to 249	121	3,756
250 to 499	39	1,004
500 to 999	14	377
1000 and over	16	238

Source: Virginia Employment Commission, Virginia Community Profile, Norfolk City, Updated March, 2016

Table 6: Top 10 Places Workers are Commuting From

Area of Virginia	Workers
Virginia Beach	36,871
Chesapeake	19,488
Portsmouth	7,163
Suffolk	4,980
Hampton	4,526
Newport News	3,725
Isle of Wright	1,281
Fairfax County	1,225
Chesterfield County	1,139
York County	967

Source: Virginia Employment Commission, Virginia Community Profile, Norfolk City, Updated March, 2016

POPULATION AND AGE

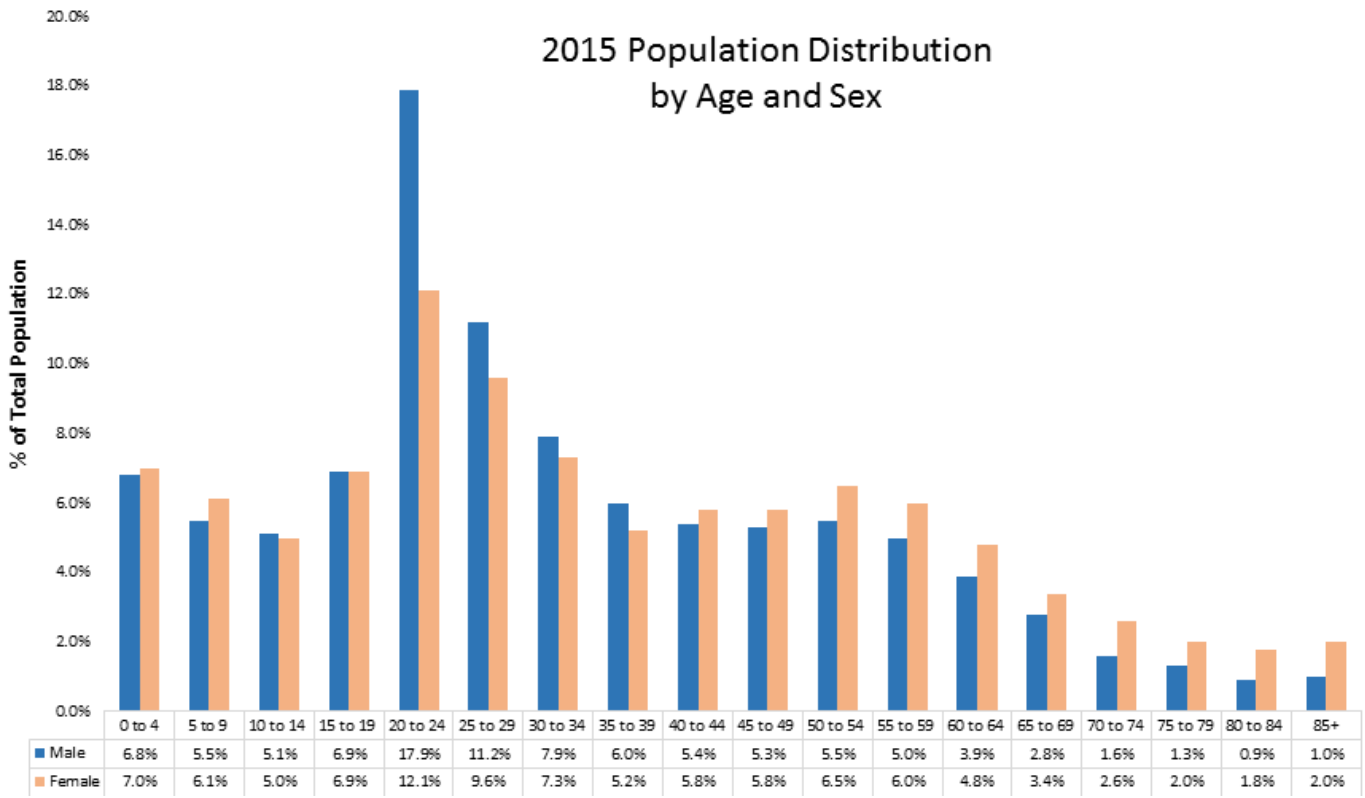
As shown in Table 7, the population of the city increased by 8,400 persons according to the 2010 decennial census, reversing four decades of population decline. Norfolk is the second most populous city in Virginia.

Table 7: Population Trend Comparison, 1960-2010

Year	City of Norfolk		Commonwealth of Virginia		United States	
	Number	Percent	Number	Percent	Number	Percent
1960	305,872	--	3,966,949	--	179,323,175	--
1970	307,951	0.7%	4,648,494	17.2%	203,211,926	13.3%
1980	266,979	-13.3%	5,346,818	15.0%	226,545,805	11.5%
1990	261,229	-2.2%	6,187,358	15.7%	248,709,873	9.8%
2000	234,403	-10.3%	8,001,024	29.3%	281,421,906	13.2%
2010	242,803	3.6%	7,078,515	-11.5%	308,745,538	9.7%

Source: U. S. Department of Commerce, Bureau of the Census; Decennial Census

Table 8: Population Distribution by Age and Sex, 2014



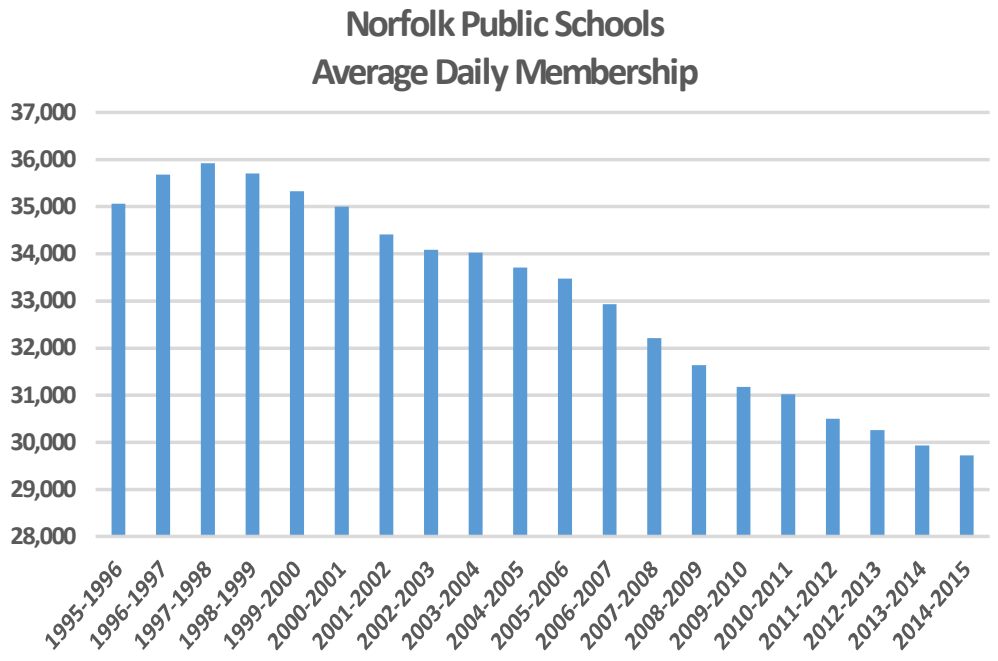
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85+
Male	6.8%	5.5%	5.1%	6.9%	17.9%	11.2%	7.9%	6.0%	5.4%	5.3%	5.5%	5.0%	3.9%	2.8%	1.6%	1.3%	0.9%	1.0%
Female	7.0%	6.1%	5.0%	6.9%	12.1%	9.6%	7.3%	5.2%	5.8%	5.8%	6.5%	6.0%	4.8%	3.4%	2.6%	2.0%	1.8%	2.0%

Source: U.S. Census Bureau, 2014 American Community Survey.
This is the most recent data available at the time of printing.

STUDENT POPULATION
Table 9: Norfolk Public Schools Student Population, 1995-2015

School Year	Average Daily Membership (March 31)	Change	Percent Change
1995-1996	35,059	443	1.3%
1996-1997	35,677	618	1.8%
1997-1998	35,923	246	0.7%
1998-1999	35,709	-214	-0.6%
1999-2000	35,326	-383	-1.1%
2000-2001	35,000	-326	-0.9%
2001-2002	34,408	-592	-1.7%
2002-2003	34,089	-319	-0.9%
2003-2004	34,030	-59	-0.2%
2004-2005	33,708	-322	-0.9%
2005-2006	33,472	-236	-0.7%
2006-2007	32,929	-543	-1.6%
2007-2008	32,213	-716	-2.2%
2008-2009	31,639	-574	-1.8%
2009-2010	31,176	-463	-1.5%
2010-2011	31,020	-156	-0.5%
2011-2012	30,498	-522	-1.7%
2012-2013	30,260	-238	-0.8%
2013-2014	29,925	-335	-1.1%
2014-2015	29,724	-204	-0.7%

Source: Norfolk Public Schools; Virginia Department of Education



EDUCATIONAL ATTAINMENT

Table 10: Educational Attainment for Persons 25 and over (2014)

	Total	Male	Female
Population 18 to 24 years	47,008	28,203	18,805
Less than high school graduate	7.5%	7.3%	8.0%
High school graduate (includes equivalency)	33.5%	38.0%	26.7%
Some college or associates degree	52.7%	50.8%	55.6%
Bachelor's degree or higher	6.2%	3.8%	9.7%
Population 25 years and over	147,486	73,633	73,853
Less than 9th grade	3.6%	3.5%	3.6%
9th to 12th grade, no diploma	9.9%	9.7%	10.0%
High school graduate (includes equivalency)	26.9%	28.1%	25.7%
Some college, no degree	26.8%	27.6%	25.9%
Associates degree	7.3%	6.4%	8.3%
Bachelor's degree	15.3%	14.3%	16.2%
Graduate or professional degree	10.3%	10.4%	10.2%

Source: U.S. Census Bureau, 2010-2014 American Community Survey
This is the most recent data available at the time of printing.

INCOME

Table 11: Per Capita Personal Income Comparisons, 2005-2014

Year	Norfolk	VA-NC MSA	Virginia	United States
2005	$30,655	$35,376	$40,036	$35,904
2006	$32,299	$37,404	$42,386	$38,144
2007	$33,552	$39,277	$44,422	$39,821
2008	$34,421	$40,597	$45,618	$40,082
2009	$34,303	$40,345	$44,458	$39,376
2010	$34,816	$41,032	$45,412	$40,277
2011	$36,472	$42,830	$47,689	$42,453
2012	$37,244	$44,134	$49,320	$44,266
2013	$37,447	$44,097	$48,956	$44,438
2014	$38,463	$45,276	$50,345	$46,049

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System

Table 12: Median Household Income 2012-2014 (IN 2014 INFLATION-ADJUSTED DOLLARS)

Subject	City of Norfolk			Commonwealth of Virginia		
INCOME AND BENEFITS	2014 Estimate	2013 Estimate	2012 Estimate	2014 Estimate	2013 Estimate	2012 Estimate
Total households	86,397	85,484	86,347	3,041,710	3,022,739	3,006,219
Less than $10,000	9.6%	9.9%	10.9%	5.7%	5.7%	5.7%
$10,000 to $14,999	6.3%	7.4%	6.0%	4.1%	4.1%	4.2%
$15,000 to $24,999	12.0%	13.2%	11.2%	8.4%	8.5%	8.5%
$25,000 to $34,999	12.3%	11.8%	12.0%	8.6%	8.7%	8.7%
$35,000 to $49,999	15.7%	14.0%	15.7%	12.2%	12.4%	12.6%
$50,000 to $74,999	18.8%	19.2%	19.5%	17.3%	17.6%	17.7%
$75,000 to $99,999	10.0%	10.2%	8.6%	12.8%	12.9%	13.0%
$100,000 to $149,999	9.5%	8.9%	9.5%	15.7%	15.4%	15.4%
$150,000 to $199,999	3.4%	2.9%	3.4%	7.2%	7.1%	7.0%
$200,000 or more	2.5%	2.6%	3.2%	8.0%	7.6%	7.3%
Median household income	44,150	44,030	42,644	64,792	63,907	63,636

Source: 2010-2014 American Community Survey 5-Year Estimates

HOUSING AND CONSTRUCTION AVAILABILITY

Table 13: New Construction and Property Values, 2001-2015

	Residential Construction			Non-Residential Construction	
Year	Building Permits	Number of Units	Estimated Value (in thousands)	Building Permits	Estimated Value (in thousands)
2001	186	400	35,069	35	62,046
2002	290	462	44,498	53	51,451
2003	286	597	61,582	41	32,262
2004	506	766	83,525	71	14,658
2005	560	1,191	204,391	80	80,316
2006	531	1,058	133,053	60	165,989
2007	389	491	688,476	55	81,396
2008	277	815	101,212	35	102,714
2009	209	535	35,878	38	138,131
2010	191	621	58,729	35	104,922
2011	221	479	37,298	27	40,073
2012	268	371	39,360	26	116,401
2013	384	822	63,728	28	105,635
2014	432	1,393	93,072	33	37,575
2015	399	711	59,018	36	233,824

Source: City of Norfolk Department of Planning and Community Development. Figures are for the fiscal year.

UNEMPLOYMENT

Table 14: Unemployment Rate Comparisons, 2006-2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City of Norfolk	4.2	4.1	5.3	8.9	9.1	8.3	7.7	7.0	6.5	5.7
Hampton Roads MSA	3.3	3.2	4.2	7.1	7.5	7.1	6.5	6.0	5.6	5.1
Commonwealth of Virginia	3.0	3.1	4.0	7.0	7.1	6.4	5.9	5.5	5.2	4.4
United States	4.6	4.6	5.8	9.3	9.6	8.9	8.1	7.4	6.2	5.3

Sources: U.S. Bureau of Labor Statistics: Labor Force Statistics from the Current Population Survey and Local Area Unemployment Statistics (LAUS) series. Note: Not seasonally adjusted; Figures represent annual averages.

WAGES

Table 15: Distribution of Average Hourly Wage in Virginia, Top 20 Counties/Cities

Rank	Area Name	Total Average Employment	*Average Hourly Wage	Average Weekly Wage	*Average Annual Wage
1	Goochland County	14,668	$50.28	$2,011	$104,572
2	Arlington County	165,893	$43.30	$1,732	$90,064
3	Fairfax County	574,542	$40.88	$1,635	$85,020
4	Surry County	2,372	$37.18	$1,487	$77,324
5	King George County	10,578	$37.13	$1,485	$77,220
6	Alexandria City	94,541	$34.88	$1,395	$72,540
7	Loudoun County	146,900	$31.15	$1,246	$64,792
8	Richmond City	147,419	$30.15	$1,206	$62,712
9	Manassas City	22,496	$29.58	$1,183	$61,516
10	Falls Church City	11,327	$29.43	$1,177	$61,204
11	Henrico County	181,708	$26.53	$1,061	$55,172
12	Newport News City	97,041	$25.80	$1,032	$53,664
13	Albermarle County	50,371	$25.23	$1,009	$52,468
14	Fairfax City	19,603	$25.20	$1,008	$52,416
15	Portsmouth City	43,774	$24.53	$981	$51,012
16	**Norfolk City**	**133,080**	**$24.48**	**$979**	**$50,908**
17	Hopewell City	8,043	$23.83	$953	$49,556
18	Charlottesville City	37,778	$23.40	$936	$48,672
19	Prince George County	14,715	$23.35	$934	$48,568
20	Manassas Park City	2,879	$21.18	$847	$44,044

* Assumes a 40-hour week worked the year round.
Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 1st Quarter 2015

Glossary

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GLOSSARY

Account: A record of public funds showing receipts, disbursements, and the balance.

Accounting Basis: The basis of accounting determines rules for recognition of income, expense, assets, liabilities and equity (cash basis and accrual basis are the most widely known). The City of Norfolk operates on a budget basis under which most expenditure liabilities are recognized when incurred and most revenues are recognized when earned and billed. Adjustments from this budget basis are done for financial reporting purposes to conform to Generally Accepted Accounting Principles (GAAP).

Accrual Accounting: A generally accepted accounting method where revenue is recognized when earned and expenses when incurred. These revenues and expenses are recorded at the end of an accounting period even if cash has not been received or paid.

Americans with Disabilities Act (ADA): Federal legislation that prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, state and local government services, public accommodations, commercial facilities, and transportation.

Average Daily Membership (ADM): ADM is the total days in membership for all students over the school year divided by the number of days school was in session. This number is used by the state to calculate annual funding levels for local public schools.

Ad Valorem tax: A tax based upon the assessed value of real estate or personal property.

Amortization: Spreading out the cost of an intangible asset or debt over the useful life of the asset.

Annual Plan: A plan that identifies the annual funding of the city's priority community development projects and activities as outlined in the five-year Consolidated Plan.

Appropriation: An expenditure authorization granted by the City Council to incur obligations for specific purposes. Appropriations are usually limited to amount, purpose and time.

Approved Budget: The budget as formally adopted by City Council with legal appropriations for the upcoming fiscal year.

Assessed Valuation: The estimated dollar value placed upon real and personal property by the City Real Estate Assessor and Commissioner of the Revenue, respectively, as the basis for levying property taxes. Real property is required to be assessed at full market value. Varying methodologies are used for assessment of defined classes of personal property to ensure uniformity and approximate fair market value.

Balanced budget: A budget in which current expenditures are supported by current revenues.

Bond indenture: The formal agreement between a group of bond holders, acting through a trustee, and the issuer as to the term and security for the debt.

Bond Rating: In rating municipalities for the issuance of general obligation debt, credit rating agencies (Standard and Poor's, Moody's, Fitch) consider factors that are considered especially relevant to a government's "capacity and willingness" to repay its debt: The local economic base, including local employment, taxes, and demographics (for example, age, education, income level, and skills of the local population); Financial performance and flexibility, including accounting and reporting methods, revenue and expenditure structure and patterns, annual operating and budget performance, financial leverage and equity position, budget and financial planning, and contingency financial obligations, such as pension liability funding; debt burden; and administration attributes, including local

autonomy and discretion regarding financial affairs, background and experience of key administrative officials, and frequency of elections. Bond ratings impact the interest rate and the cost of debt service in the operating budget.

Bonds: A type of security sold to finance capital improvement projects. With "general obligation" bonds, the full faith and credit of the city, through its taxing authority, guarantee the principal and interest payments. The City of Norfolk has issued water and parking revenue bonds for which repayment is pledged from the revenues of those systems.

Broadband: Allows Internet access to consumers using one of several high-speed transmission technologies. Defined by the Federal Communications Commission (FCC) as download speed of 25 Mbps.

Budget: A policy setting document that outlines a financial plan for a specified period of time (fiscal year) that matches all planned revenues with expenditures for various municipal services.

Budget Transfer: An administrative means to move budget resources from one budget account to another.

Comprehensive Annual Financial Report (CAFR): The official annual financial report of the city. It includes financial statements prepared in conformity with GAAP and is organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, required supplementary information, extensive introduction material and illustrative information about the city.

Computer Aided Dispatch (CAD) System: Computer systems supporting the Emergency Operations Center 911 response service areas as well as other areas of public safety.

Computer Aided Design and Drafting (CADD) System: Computer systems with input-tools for the purpose of streamlining drafting, documentation and design processes.

Capital Lease: A direct substitute for purchase of an asset with borrowed money. It is a series of payments in return for use of an asset for a specified period of time. It transfers substantially all the benefits and risks inherent in the ownership of the property to the lessee.

Capital Outlay: Expenditures that result in the acquisition of or addition to fixed assets. Fixed assets generally are purchased from the equipment appropriation category to facilitate the maintenance of the fixed assets inventory.

Capital Projects: Projects for the purchase or construction of capital assets. Typically, a capital project encompasses a purchase of land and/or the construction of a building or facility.

Comprehensive Annual Performance Evaluation Report (CAPER): The CAPER is a report prepared annually in compliance with grant funding requirements to the federal Department of Housing and Urban Development (HUD) for the Community Development Block Grant program, the HOME Investment Partnership Program and the Emergency Shelter Grant (ESG) program.

Categorical Aid: Revenue received from the state or federal government designated for specific use by the local government. Examples of state categorical aid are Basic School Aid funds and the state's share of public assistance payments. An example of federal categorical aid is Impacted Area Aid grants that are to be used for education.

Community Development Block Grant (CDBG): A federal funding source that allows local officials and residents flexibility in designing their own programs within a wide-range of eligible activities. The CDBG program encourages more broadly conceived community development projects, and expanded housing opportunities for people living in low and moderate-income households.

Central Appropriation: Programs and services the city provides not directly linked to a specific department, such as employee benefits, risk management, and transfers to other departments.

Charges for Service: Fees charged for various government operations that are based on a cost recovery model. Examples include garbage fees, sanitation and waste removal fees, parking fees, water fees, and storm water fees.

Children in Need of Services (CHINS): Youth are referred by, but not limited to parents and schools for diversionary services such as family counseling, anger management, truancy prevention, and in some cases temporary residential placements. The goal is to provide services that would result in behavior modification to avoid entry into the juvenile justice system.

Children in Need of Supervision (CHINSUP): Youth placed on court-ordered, supervision after having received diversionary services. Court-ordered, community-based services may be residential or non-residential.

Capital Improvement Plan (CIP): A five year plan developed to guide spending for capital projects such as, but not limited to buildings, parks, streets, and their financing sources. The Capital Improvement Plan (CIP) budget is adopted as a one-year appropriation as part of the five-year to authorize expenditures for the projects in the first year of the plan.

Coastal Community: a city, town, or neighborhood tied to a geographic area along the coast by economic, social, or other necessity.

Community Development Fund: A fund that accounts for federal entitlement funds received under Title I of the Housing and Community Development Act of 1974. The Community Development Block Grant (CDBG) funds support public improvements and redevelopment and conservation activities within targeted neighborhoods and are developed as part of the Annual Plan.

Compensated Absences: A liability for vested vacation and sick leave benefits for employees recorded as general long-term obligations.

Component Units: Legally separate entities which are part of the city's operations. Component units are The School Board of the City of Norfolk, The Norfolk Redevelopment and Housing Authority, and The City of Norfolk Retirement Board.

Consolidated Plan: A three or five-year plan describing a community's needs, resources, priorities, and proposed activities to be undertaken with funding provided by the U.S. Department of Housing and Urban Development (HUD). The Consolidated Plan must include opportunities for resident input and is updated annually.

Constitutional Officers: Elected officials who head local offices as directed by the Constitution of Virginia. There are five constitutional officers in Norfolk with partial state funding coordinated by the State Compensation Board: the Commissioner of Revenue, the City Treasurer, the Clerk of the Circuit Court, the Commonwealth's Attorney and the Sheriff.

Contingency Fund: A budget account set-aside for use by the City Manager in dealing with emergencies or unforeseen expenditures.

Contractual Service: Legal agreement between the city and an outside entity providing services that are mutually agreed and have binding terms.

Debt Service: The annual payment of principal and interest on the city's bonded indebtedness.

Deficit: The excess of an entity's or fund's liabilities over its assets (see Fund Balance). The excess of expenditures or expenses over revenues during a single budget year.

Depreciation: Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. The portion of a capital asset which is charged as an expense during a particular period for reporting purposes in proprietary funds. The capital outlay, rather than the periodic depreciation expense, is recorded under the modified accrual basis of budgeting and accounting.

Department of Environmental Quality (DEQ): The state agency dedicated to protecting the environment of Virginia in order to promote the health and well-being of the citizens of the Commonwealth.

Derelict Structure: A residential or nonresidential structure, that might endanger the public's safety or welfare, and has been vacant; boarded up; and not lawfully connected to electric, water, or sewer service from a utility service provider for a continuous period in excess of six months.

Direct Turnover (DTO) Transactions: Non-stock items ordered and turned over directly to customers. Items ordered are not a part of inventory.

Effectiveness: The degree to which goals, objectives and outcomes are achieved.

Efficiency: A measurement of an organization's performance based on operational outputs as measured by a comparison of production with cost.

Emergency Communications Center (ECC): The Emergency Communications Center serves as a central point to provide timely, accurate and critical 24-hour communications with all field units (police, fire and other emergency services).

Emergency Operations Center (EOC): A central command and control facility responsible for carrying out the principles of emergency preparedness and emergency management, or disaster management functions at a strategic level in an emergency situation to ensure the continuity of operations during an emergency.

Encumbrance: An obligation against appropriated funds in the form of a purchase order, contract, salary commitment or other reservation of available funds.

Enterprise Funds: A separate fund used to account for operations financed and operated similar to private business enterprises. The cost expenses, including depreciation of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges.

Expenditure: Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered, whether cash payment has been made or not. Where accounts are kept on a cash basis, expenditure is recognized only when the cash payment is made.

Fiduciary Funds: Funds used to account for resources held for the benefit of parties outside the city. The fiduciary funds include the city's pension trust fund, the Commonwealth of Virginia agency fund and the miscellaneous agency fund.

Financial Policy: The city's policy in respect to taxes, spending, and debt management as related to the provision of city services, programs and capital investment.

Fines and Forfeitures: Revenue received by a local government from court fines, forfeitures, and parking fines.

Fiscal Year (FY): A 12-month period the annual operating budget applies to. At the end of the period, the city determines its financial position and results of its operations. The city's fiscal year is July 1 through June 30.

Fixed Assets: A long-term tangible piece of property a firm owns and uses in the production of its income and is not expected to be consumed or converted into cash any sooner than one year's time. Buildings, real estate, equipment and furniture are examples of fixed assets.

Fleet Management Fund: A fund used to provide operating departments with maintenance, repair and service of the city's fleet of vehicles, heavy equipment, and miscellaneous machinery.

Freedom of Information Act (FOIA): State statute ensuring that residents of the Commonwealth have access to public records in the custody of a public body, its officers, and employees; and free entry to meetings of public bodies wherein the business of the people is being conducted. All public records and meetings shall be presumed open, unless an exemption is properly invoked.

Fringe Benefits: Employee benefits, in addition to salary, which may be paid in full or in part by the city or sponsored for employee participation at their individual expense. Some benefits, such as Social Security and Medicare (FICA), unemployment insurance, workers' compensation, and others are required by law. Other benefits, such as health, dental and life insurance are not mandated by law but are offered to employees by the city as part of their total compensation.

Full-Time Equivalent (FTE): The amount of time a position has been budgeted for in the amount of time a permanent, full-time employee normally works a year. Most full-time employees are paid for 2,080 hours a year. A position that has been budgeted to work less than full-time will work the number of hours which equate to that budgeted FTE amount; for example, a half FTE budgeted position can work 40 hours a week for six months, or 20 hours a week for one year.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, liabilities, fund balances/retained earnings, and revenues and expenditures/expenses.

Fund Balances: In the context of the city's budget discussions, fund balance refers to the undesignated General Fund Balance. This is the accumulated total of all prior years' actual General Fund revenues in excess of expenditures not appropriated by City Council and has not been designated for other uses. Maintaining a prudent level of undesignated General Fund balance is critical to ensuring that the city is able to cope with financial emergencies and fluctuations in revenue cycles. The General Fund balance also provides working capital during temporary periods when expenditures exceed revenues. The undesignated General Fund balance is analogous to the retained earnings of proprietary funds.

GEM Program: A city initiative operating under the guidelines of Commonwealth of Virginia's blight eradication legislation (VA Codes 58.1-3970.1 and 58.1-3965), which allows cities to acquire private property where nuisance abatement liens and/or delinquent taxes were not paid by their owners. The GEM Program acquires slum and blighting properties in the community to provide opportunities for redevelopment and revitalization of Norfolk's neighborhoods.

General Fund: The operating fund which finances the necessary day-to-day actions within the city through taxes, fees, and other revenue sources. This fund includes all revenues and expenditures not accounted for in specific purpose funds.

Generally Accepted Accounting Principles (GAAP): The common set of accounting principles, standards, and procedures that are used to complete financial statements.

General Obligation Bonds: Bonds pledging the full faith and credit of the city.

Geographic Information System (GIS): A system used to capture, manage, analyze, and display all forms of geographically referenced information. A team of employees is responsible for the design and deployment of this web-based application displaying information at the street, neighborhood, and planning district levels.

Governmental Accounting Standards Board (GASB 34): A statement establishing the financial report standards for state and local governments. The financial statements should consist of management's discussion and analysis,

basic financial statements, notes to the financial statements and supplementary information.

Governmental Accounting Standards Board (GASB 54): A statement establishing changes to the fund balance classifications and governmental fund type definitions.

Government Finance Officers Association (GFOA): An organization founded to support the advancement of governmental accounting, auditing and financial reporting.

Goal: A long-range desirable development attained by time phased objectives and designed to carry out a strategy.

Government Funds: Funds used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds. Government funds are reported using the current financial resources and the modified accrual basis of accounting.

Global Position System (GPS): A system that providing specially coded satellite signals that can be processed in a GPS receiver, enabling the receiver to compute position, velocity and time. GPS is funded by and controlled by the U. S. Department of Defense (DOD). While there are many thousands of civil users of GPS world-wide, the system was designed for and is operated by the U. S. military.

Grant: A non-repayable fund disbursed by one party (grant makers), generally a government department, corporation, foundation or trust, to a recipient, for a specific project or purpose. There is typically an application process to qualify and be approved for a grant. This involves submitting a proposal to a potential funder, either on the applicant's own initiative or in response to a Request for Proposal from the funder. There are various types of grants awarded: (1) *block grant* is a consolidated grant of federal funds that a state or local government may use at its discretion for such programs as education or urban development; (2) *categorical grant* is given by the federal government to state and local governments on the basis of merit for a specific purpose; (3) *formula grant* is distributed to all states according to a formula generally for a specific purpose; and (4) *discretionary grant* awards funds on the basis of a competitive process with discretion to determine which applications best address the program requirements and are, therefore, most worthy of funding. Most recipients are required to provide periodic reports on their grant project's progress. There may be monitoring visits or audits of the grant once it is awarded and implemented to ensure accountability.

Healthcare Fund: A fund established to account for the receipt and disbursement of revenue from the Norfolk Health Consortium members, employees and retirees for payments of claims, administrative costs and other expenses related to healthcare.

High-speed Internet: Interchangeable with “Broadband”.

Institutional Network (iNet): An advanced fiber-based communications network that connects common stakeholders and includes video, data, and voice.

Insurance: A contract to pay a premium in return for which the insurer will pay compensation in certain eventualities such as fire, theft, motor accident. The premiums are calculated so that, on average, they are sufficient to pay compensation for the policyholders who will make a claim together with a margin to cover administration cost and profit. In effect, insurance spreads the risk so that the loss by policyholder is compensated at the expense of all those who insure against it.

Internal Service Funds: Funds accounting for the financing of goods and services supplied to other funds of the city and other governmental units on a cost-reimbursement basis. The city's Fleet Management and Healthcare operate as internal service funds.

Key Goals and Objectives: A concise presentation of departmental outcome and/or efficiency goals and objectives for the budgeted fiscal year.

Legal Debt Margin: Limits how much debt an entity can issue. Article VII, Section 10 of the Virginia Constitution states: "No city or town shall issue any bonds or other interest-bearing obligations which, including existing indebtedness, shall at any time exceed ten percent of the assessed valuation of real estate in the city or town subject to taxation, as shown by the last preceding assessment of taxes."

Liability Insurance: Protection against risk of financial loss due to a civil wrong resulting in property damage or bodily injury.

Line Item: An account representing a specific object of expenditure. Line items are commonly referred to as the budget detail and account for the inputs related to an activity process or service.

Litigation: To carry on a legal contest by judicial process.

Local Composite Index (LCI): The Commonwealth's of Virginia's established formula to measure a locality's ability to fund public education. It determines each division's state and local share of Standards of Quality (SOQ) costs. LCI is used as a proxy to determine the "wealth" of a school division and its ability to pay for public education. It measures each local government's ability to generate revenue. Values range from below .2000 to .8000. The higher LCI, the more the locality has to provide support to public schools. For example, a division with a LCI value of .3000 pays 30 percent of the calculated cost of public education while the state pays 70 percent.

Long-term Goals: Identified expectations the organization has targeted to reach over a time period greater than three years.

Maintenance: The act of keeping capital assets in a state of good repair. It includes preventative maintenance, normal periodic repairs, replacement of parts or structural components, and other activities needed to maintain the asset to provide normal services and achieve its optimal life.

Major Fund: Funds whose revenue, expenditures/expenses, assets, or liabilities are at least 10 percent of the total for their fund category (governmental or enterprise) and five percent of the aggregate of all governmental and enterprise funds in total. Major funds are reported as a separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report.

Managed Competition: A process that allows government to test the market for improved service delivery and pricing options by allowing both public and private entities to compete for a contract.

Materials, Supplies and Repairs: A budget category that includes expenditures for supplies, contracted services, and equipment maintenance.

Modified Accrual Basis: The basis of accounting under revenues are recognized in the period they become available and measurable, and expenditures are recognized in the period the associated liability is incurred.

Net assets: Total assets minus total liabilities of an individual or entity.

Network Infrastructure: In information technology and on the internet, infrastructure is the physical hardware used to interconnect computers and users. Infrastructure includes the transmission media, including telephone lines, cable television lines, and satellites and antennas, and also the routers, aggregators, repeaters, and other

devices that control transmission paths. Infrastructure also includes the software used to send, receive, and manage the signals that are transmitted.

New Measure: A performance measurement the city has not captured or reported upon in previous years.

Norfolk Juvenile Detention Center (NJDC): A short-term, secured co-ed facility for court involved youth.

Norfolk Redevelopment and Housing Authority (NRHA): A Governmental entity assisting the city with conservation and redevelopment activities, property rehabilitation, management of public housing programs, and services and programs for low and moderate income families within Norfolk communities.

Nuisance Abatement: The process to remedy code violations identified as an annoyance, inconvenience, or may present a public health and safety concern.

Objective: It describes something to be accomplished in specific, well-defined and measurable terms and is achievable within a specific timeframe.

One-time: A nonrecurring revenue or expenditure.

Operating Budget: An annual financial plan of operating expenditures encompassing all the fund types within the city, and the approved means of financing them. The operating budget is the primary tool by which most of the financing, acquisition, spending and service delivery activities of a government are planned and controlled.

Operating Revenues and Expenditures: Operating revenues and expenditures result from providing regularly scheduled services and/or the production and delivery of goods.

Ordinance: A formal legislative enactment by the City Council, which has the full force and effect of law within the boundaries of the city.

Outcome Measure: The results of an activity, plan, process, or program and their comparison with the intended or projected results.

Parking Facilities Fund: A fund used to account for the operations of the city-owned parking facilities.

Permanent Part-Time Position: A position regularly scheduled for no more than 30 hours per week.

Permanent Fund: A governmental fund type used to report resources legally restricted to earnings, not principal, to be used for purposes supporting the reporting government's programs.

Personal Property Tax: Taxes assessed each year by the Commissioner of Revenue's (COR) Office for all tangible personal property located within the City of Norfolk. A major set of tangible personal property taxed are motor vehicles.

Personnel Services: Compensation for direct labor of persons in the employment of the city and/or salaries and wages paid to employees for full-time, part-time, and temporary work, including overtime, shift differential, and similar compensation. The personnel services account group also includes fringe benefits paid for employees.

Proposed Budget: The budget formally submitted by the City Manager to the City Council for its consideration.

Proprietary Fund: A fund that accounts for operations similar to those in the private sector. This includes the enterprise funds and internal service funds. The focus is on determination of net income, financial position and changes in financial position.

Public Assistance: Federal, state and local programs that provide a safety net (for example housing, medical assistance, money) for disadvantaged groups who lack the resources to provide basic necessities for themselves and their families.

Public Amenities Fund: A Special Revenue fund designated for tourism and visitor destination, improvements to existing cultural and entertainment facilities, and planning and preparation for new venues. Revenues derived from one percentage point of the meals and hotel taxes.

Public-Private Partnership: A contractual agreement between the city and a private sector entity for the provision of public services or infrastructure. Through this agreement, the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. Rather than completely transferring public assets to the private sector, as with privatization, government and business work together to provide services with each party sharing in the risks and rewards potential in the delivery of the service and/or facility.

Purchased Services: Services, under contract with the city, provided to an individual or group of individuals by an enterprise.

Real Property Taxes: Revenue derived from the tax assessed on residential, commercial or industrial property.

Reserve: An amount set aside in a fund balance to provide for expenditures from the unencumbered balances of continuing appropriations, economic uncertainties, future apportionments, and pending salary or price increase appropriations and appropriations for capital outlay projects.

Resilience: the capacity of individuals, communities, and systems to survive, adapt, and grow in the face of stress and shocks.

Resources: Factors of production or service in terms of information, people, materials, capital, facilities, and equipment.

Revenue: The yield from various sources of income such as taxes the city collects and receives into the treasury for public use.

Revenue Anticipation Notes: A short-term debt security issued on the premise future revenues will be sufficient to meet repayment obligations. Securities are repaid with future expected revenues from the completed project which may come from sources like tolls or facility ticket sales.

Revenue Bonds: Limited liability obligations where revenues derived from the respective acquired or constructed assets are pledged to pay debt service.

Rolling Stock: The total number of transit vehicles in the city's fleet (for example vans, cars, buses, and vehicles used for support services)

Server: A computer or computer program that manages access to a centralized resource or service in a network.

Service: The on-going sequence of specific tasks and activities representing a continuous and distinct benefit provided to internal and external customers.

Service Quality: The manner or technique by which an activity was undertaken, and the achievement of a desirable end result (for example when filling a pothole there should be a service quality standard for how long that pothole should stay filled). Efficiency and effectiveness should be achieved within the context of a service quality standard. Measuring any one of these without the other two can cause problems in terms of getting an accurate assessment of performance.

Shared Expenses: Revenue received from the state for its share of expenditures in activities considered to be a state/local responsibility. Sources include the state's share of Norfolk Public Schools, Commonwealth's Attorney, Sheriff, Commissioner of the Revenue, Treasurer, Medical Examiner, and Registrar/Electoral Board expenditures.

Short-term Goals: Identified expectations the organization has targeted to reach over a time period between one and three years.

Supplemental Nutrition Assistance Program (SNAP): Provides financial assistance for food purchasing to low- and no-income individuals and families living in the United States. It is a federal aid program administered by the Food and Nutrition Service of the U.S. Department of Agriculture, and benefits are distributed by the individual states.

Standards of Quality (SOQ): The statutory framework that establishes the minimal requirements for educational programs for Virginia public schools.

Staffing and Organization Redesign (SOR) Initiative: The effort to evaluate and appropriately allocate staff and positions throughout departments to improve productivity.

Special Revenue Funds: Funds used to account for the proceeds of specific financial resources (other than expendable trusts or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. The individual Special Revenue funds are Cemeteries, Emergency Preparedness and Response, Golf Operations, Public Amenities, Storm Water Utility, Towing & Recovery, and Waste Management.

Southeastern Public Service Authority (SPSA): The organization that manages and operates solid waste transportation, processing and disposal programs and facilities for Norfolk, Portsmouth, Virginia Beach, Chesapeake, Suffolk, Franklin, Isle of Wight, and Southampton County.

Storm Water Best Management Practice (BMP): Methods designed to control storm water runoff incorporating sediment control and soil stabilization. Norfolk employs both structural (retention ponds) and nonstructural (education) methods of reducing the quantity and improving the quality of storm water runoff.

Storm Water Fund: A fund established to account for the operations of the city-owned environmental storm water management system**.**

Strategic Planning: The continuous and systematic process whereby guiding members of the city make decisions about its future, and develop procedures and operations to achieve the future to determine how success will be measured.

Strategic Priority: Each year, City Council identifies focus areas in need of enhanced service. Examples include: Improve public education, address flooding, and economic diversification.

Surplus: The excess of an entity's or fund's assets over its liabilities (see also fund balance). The excess of revenues over expenditures or expenses during a single budget year.

Temporary Assistance to Needy Families (TANF): A block grant program to states that was designed to reform the nation's welfare system by moving recipients into work, promoting self-sufficiency and turning welfare into a program of temporary assistance.

Tax Base: All forms of wealth taxable under the city's jurisdiction.

Tax Increment Financing (TIF): A public method used to finance infrastructure projects through future gains in tax revenue within a designated district established by a City Council ordinance. These tax revenues are projected to grow as a result of the increase in the value of real estate within the designated district.

Technical Adjustment: A routine budget action occurring at the beginning of each budgetary cycle to adjust costs for such items as personnel (for example healthcare, retirement), contractual increase, prorated funding, and internal service fund charges.

Tipping Fee: The charge levied upon the quantity (calculated in tonnage) of waste received at a waste processing facility.

Total Maximum Daily Load (TMDL): A comprehensive pollution prevention initiative that has rigorous accountability measures (waste load allocations) to restore clean water in the Chesapeake Bay and its watershed.

Transaction: As pertains to the voter registrar, transaction is a measure of the number of computerized entries necessary to maintain voter registration and election records. Transaction totals vary depending on the number of elections and the quantity of voter initiated activity.

United States Department of Agriculture (USDA): The federal agency that leads the anti-hunger effort with the Food Stamp, School Lunch, School Breakfast, and the Women, Infants and Children (WIC) Programs.

Vector Borne: A disease or illness from an animal or insect that transmits a disease-producing organism from one host to another.

Vector Control: An effort to maintain order over animals and insects that transmit disease-producing organism from one to another.

Virginia Department of Transportation (VDOT): The state agency responsible for building, maintaining, and operating the state's roads, bridges, and tunnels.

Vision: An objective statement that describes an entity's most desirable future state. An organization's vision employs the skills, knowledge, innovation and foresight of management and the workforce to communicate effectively the desired future state.

Virginia Municipal League (VML): A statewide, nonpartisan nonprofit association of city, town and county governments established to improve and assist local governments through legislative advocacy, research, education and other services.

Virginia Pollution Discharge & Elimination System (VPDES): A permit from the state to discharge storm water to natural bodies of water since storm water, unlike sewage, is not treated.

Wastewater Utility Fund: A fund established to account for the operations of the city-owned wastewater system.

Water Utility Fund: A fund established to account for operations of the city-owned water system.

Working Capital: Current assets minus current liabilities. Working capital measures how much in liquid assets an entity has available to build its business or activity.

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AND IT'S WORKING!

AWARDS AND RECOGNITIONS SINCE 2011

Coach Peek of RPOS makes boxing history at Olympics (2012)
Top U.S. Event Virginia International Tattoo (2015)
American Bus Association
Norfolk Admirals win Caulder Cup and the American Hockey League Championship (2012)
American Hockey League
Architectural Design Award Slover Library (2015)
American Institute of Architects and the American Library Association
Test of Time Award (2013)
American Institute of Architects Virginia
Great Places in America: People's Choice Designee Colley Avenue (2015)
Great Neighborhood West Freemason (2013)
American Planning Association
Donald Hunter Excellence in Economic Development Global Initiatives (2016)
American Planning Association Economic Development Division
Best in State Comprehensive Plan Large City PlaNorfolk 2030 (2013)
American Planning Association Virginia Chapter
Professional Manager of the Year Solid Waste Harvey Howard (2014)
American Public Works Association
Julian F. Hirst Award for Distinguished Service Marcus Jones, Susan Perry, James Rogers (2014,2015)
American Society for Public Administration Hampton Roads Chapter
Award of Excellence Norfolk Collaboratory (2015)
City-County Communications & Marketing Association (3CMA)
Best Place to Retire (10 of Top 10) (2013)
CNN Money
Top 5 City for Entrepreneurs (2013)
Entrepreneur Magazine
Top 10 Mid-Sized American Cities of the Future 2013-14 - Infrastructure (2013)
fDi Intelligence
American Cities of the Future Small Cities (7 of 10) (2011)
American Cities of the Future FDI Strategy (6 of 10) (2011)
fDi Magazine
Top 10 Best Cities for Global Trade Emerging Cities (2014)
Global Trade Magazine
Certificate of Achievement for Excellence in Financial Reporting (Annual)
Distinguished Budget Presentation Award (Annual)
Recognition for Performance Measures (2016)
Government Finance Officers Association
Innovative Use of Technology in Local Government STORM Application (2012)
Governor of Virginia Technology Awards
Organizational Achievement Award Norfolk Arts Center (2014)
Governors Arts Awards
Best Renovated or Historic Rehabilitation Project Award of Merit Governor's School for the Arts NRHA (2015)
Hampton Roads Association for Commercial Real Estate
Silver Award Near Perfect Permit Compliance Moores Bridges Water Treatment *Hampton Roads Sanitation District*
Virginia's First Light Rail System, The Tide, Celebrated 1st Anniversary Exceeding Ridership Numbers (2012)
Hampton Roads Transit
Top 20 of City/County Leaders on Resilience (2013)
ICLEI-Local Governments for Sustainability
Voice of the People Award Natural Environment (2015)
International City/County Management Association (ICMA)
Merit Award Park Happy Campaign Downtown Norfolk Council (2015)
International Downtown Association
Grand Pinnacle Gold Award OpSail (2012)
International Festivals and Events Association
Playful City USA (2013)
Playful City USA (2011)
KaBOOM!
President Circle Award Keep Norfolk Beautiful (2016)
Best in the Nation (population 100,001 to 250,00) (2015)
Keep America Beautiful
Governor's Green Fleet Award (2016)
Virginia Clean Cities
#1 Museum in the Nation for Financial Health and Accountability Chrysler Museum of Art (2013)
Charity Navigator

America's Most Talkative Cities (9 of Top 10) (2013)
Keller Fay Group
Bronze Designation as one of 42 Bicycle Friendly Communities (2015)
League of American Bicyclists
Top Achieving Cities, Towns and Counties (2013)
Let's Move! Cities, Towns and Counties
Norfolk Better Block featured in Places in the Making: How placemaking builds places and communities (2013)
Massachusetts Institute of Technology Department of Urban Studies and Planning
2014 Virginia Distinguished Principal of the Year Lauren Campsen Ocean View Elementary (2014)
National Association of Elementary School Principals
#66 Best Fleets in America (2015)
National Automotive Fleet Association
All-America City WINNER (2013)
National Civic League
#1 Ranking National Let's Move! Cities, Towns and Counties (2015)
National League of Cities
Top 20 Best Cities for College Graduates to Find Jobs 2015
NerdWallet
Top Public Relations Award Meet, Greet, and Imagine (2013)
Public Relations Society of America
Citizen-Engaged Community Designation IMPACT Call Center (2015)
Public Technology Institute
100 Resilient Cities Inaugural Group (2013)
Rockefeller Foundation
Best Small Venue NORVA (2013)
Rolling Stone
Top 20 Event Norfolk NATO Festival 2014 (2013)
Southeast Tourism Society
Top 5 US Cities for Entrepreneurs (2013)
Startup Genome
Bronze Telly Award Norfolk Emerging Leaders Anti-Bullying Video (2013)
Telly Awards
Libraries worth traveling for Slover Library (2015)
The Dallas Morning News
Award of Excellence MacArthur Memorial (2014)
TripAdvisor
Assisted-rental Housing and Housing Choice Voucher (HCV) Programs Among the Nation's Best (2013)
U.S. Department of Housing and Urban Development
Ten happiest metropolitan areas with a population greater than 1 million (Norfolk-Virginia Beach-Newport News, VA #2) (2014)
U.S. National Bureau of Economic Research
Best High Schools in the United States and Virginia-Maury and Norview (2014)
U.S. News & World Report
5th Best Beer Bar in America (2016)
#13 Millenial Magnet in the Country Norfolk (2014)
USA Today
Best Places for Veterans: Jobs (6 of 10) 2013
USAA
Award for Valor Officer A. J. Mondie Norfolk Police Department (2013)
Virginia Association of Chiefs of Police
Distinguished Achievement Award Larchmont Elementary School (2013)
Virginia Board of Education
Lambert/Ratcliffe Trainer of the Year Lieutenant Wayne Handley Norfolk Police Department (2015)
Virginia Crisis Intervention Team Program of the Year (2015)
Virginia CIT Coalition
Friend of Education Award MacArthur Memorial (2015)
Virginia Council of Social Studies Education
Group AAA Division 5 State Football Championship Lake Taylor Titans (first Norfolk team to win since 1966) (2012)
Virginia High School League
Gold Level Certification (2014)
Virginia Values Veterans
Virginia Water Environment Award Department of Utilities (2013)
Virginia Water Environment Association
Gold Award Perfect Permit Compliance 37th Street Water Treatment Plant (2013)
Hampton Roads Sanitation District
Top 20 under 40 Fleet Professionals Facundo Tassara (2015)
Government Fleet Magazine
American Planning Association's Prestigious Planning College of Fellows George Homewood (2016)
American Institute of Certified Planners