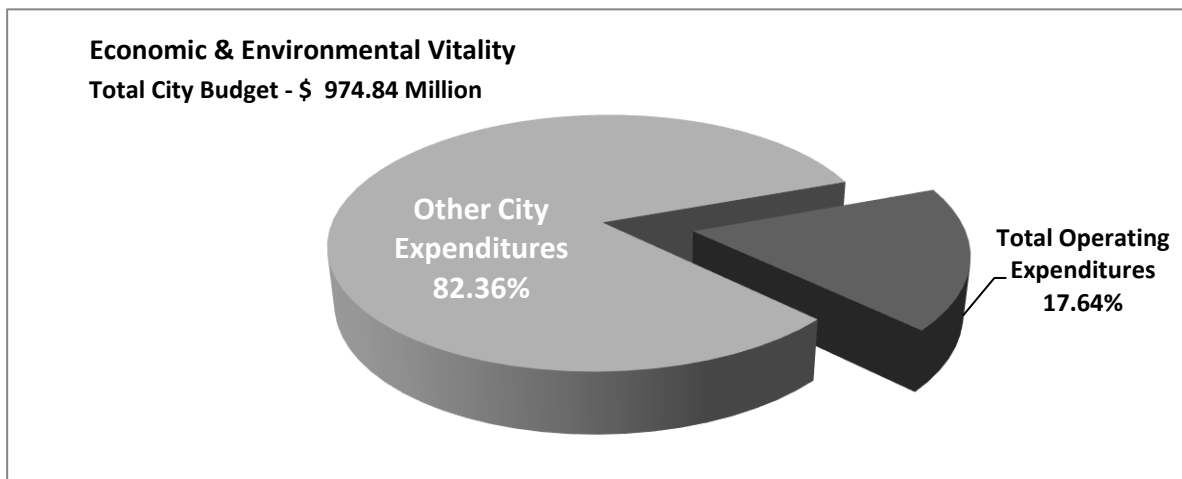


Economic & Environmental Vitality

Summary

These departments are focused on the development of the local economy and physical environment. Departments in this section are concerned with the infrastructure (roads, water/sewer lines, stormwater drains) or land use including residential building codes, agricultural land use, and business development of the City.

Budget by Department	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
112050 Agriculture	\$ 382,472	\$ 412,598	\$ 416,845	1.0%
112070 Conference Center & Visitors Bureau	3,617,675	3,757,541	3,956,453	5.3%
113080 Development & Permits	6,320,029	7,121,407	6,774,834	-4.9%
113010 Economic Development	1,692,734	1,732,915	1,743,442	0.6%
111050 Planning	1,969,978	2,147,840	2,121,200	-1.2%
150000 Planning Commission & Open Space and Agricultural Preservation	37,170	236,824	236,824	0.0%
112030 Public Utilities	54,743,356	64,299,471	65,731,058	2.2%
112040 Public Works	70,833,415	81,246,026	90,879,981	11.9%
113010 Tax Increment Financing	3,761	87,000	56,000	-35.6%
Total Operating Expenditures	\$ 139,600,589	\$ 161,041,622	\$ 171,916,637	6.8%



Economic & Environmental Vitality

Summary

Operating Revenues	FY 14-15	FY 15-16	FY 16-17	Change from
Resource	Budget	Budget	Budget	prior year
General Property Taxes	\$ 9,340,169	\$ 9,720,584	\$ 10,766,884	10.8%
Other Local Taxes	3,636,643	3,615,000	3,891,200	7.6%
Permits, Privilege & License Fees	2,662,209	2,214,270	2,531,740	14.3%
Fines and Forfeitures	322,216	438,900	351,400	-19.9%
Use of Money and Property	1,809,941	1,586,931	1,913,740	20.6%
Charges for Services	96,158,847	96,086,208	110,521,150	15.0%
Miscellaneous Revenue	1,369,162	1,423,343	1,619,100	13.8%
Recovered Costs	385,569	108,695	91,735	-15.6%
State Non Categorical	49,479	10,000	36,400	264.0%
State Shared Expenses	83,188	75,348	84,270	11.8%
State Other Categorical Aid	32,066,139	33,284,580	33,371,570	0.3%
Federal Aid	605,166	652,820	599,991	-8.1%
Total Revenues	\$ 148,488,728	\$ 149,216,679	\$ 165,779,180	11.1%
General Fund Contribution	30,234,816	35,246,985	34,320,196	-2.6%
Total Resources	\$ 178,723,544	\$ 184,463,664	\$ 200,099,376	8.5%

- General property taxes include amounts for each Tax Increment Financing District and committed revenue for Open Space and Agricultural Preservation.
- Other Local taxes include the \$1 per night hotel tax for Conventions and Visitors Bureau along with lodging and restaurant food taxes credited to the Conference Center.
- Permits, Privilege & License Fees include electrical, mechanical, plumbing, and building permits issued by the Development and Permits department and credited to the General Fund.
- Fines and forfeitures include overweight vehicle citations written by the Police Department, but used to fund maintenance of bridges by the Public Works department.
- Use of money and property includes a General Fund payment to Public Utilities for maintenance of fire hydrants, along with rents collected at the Conference Center, and interest earnings for Enterprise funds.
- Charges for services include water and sewer usage charges to customers, as well as, tolls collected on the Chesapeake Expressway.
- Miscellaneous revenues include the sales of food and beverage at the Conference Center.
- Recovered costs typically include collection of non-tax receivables that originated in previous years.
- State aid includes funding for maintaining roads and bridges.

Economic & Environmental Vitality

Summary

This section includes significant resources that are dedicated for specific uses are not available to address the City's general cost of governmental operations. Included in this section are the following funds that contain restrictions on their usage:

Public Utilities, an enterprise fund, that provides water and sewer services to residents and businesses. The fund is supported entirely by user fees and the fund's resources are used exclusively for the cost of providing services to customers, including the servicing of debt.

Stormwater Fund, an enterprise fund, that manages stormwater throughout the City. The fund is supported entirely by user fees and the fund's resources are used exclusively for the cost of providing services to customers. Resources could be used to service debt, however, no stormwater debt is currently outstanding.

Chesapeake Transportation System, an enterprise fund, that operates a toll road entirely within City boundaries (a second toll road is under construction and is scheduled to open in the Fall of 2016). The fund is supported entirely by user fees (tolls) and the fund's resources are used exclusively for the cost of operating toll roads, including the servicing of debt.

Chesapeake Conference Center, a special revenue fund, that includes the City Conference Center and the Conventions and Visitors Bureau. The fund is supported by the dedication of a portion of hotel and restaurant taxes. Resources support operations of the center and the bureau. Previously, the fund transferred \$1.0 million annually to the Debt Service Fund in order to reimburse the City for the construction of the facility. The transfer to the Debt Fund stopped in FY 2017 as the debt has been retired.

Tax Increment Financing Districts (TIF) were established in the Greenbrier and South Norfolk sections of the City. In accordance with state statute, funds are used to support improvements in the TIFs and to service debt used to finance improvements. The statute permits the transfer of surplus TIF funds to the City's General Fund. Approximately \$3.6 million of surplus TIF funds will transfer to the General Fund each year.

Economic & Environmental Vitality

Summary

Reconcile Resources to Expenditures	FY 14-15 Budget	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Total Resources	\$ 178,723,544	\$ 184,463,664	\$ 200,099,376	8.5%
Transfers to the General Fund	(1,993,053)	(3,633,695)	(3,772,760)	82.3%
Transfers to Capital Projects Funds	(23,423,030)	(8,869,833)	(20,996,114)	-62.1%
Transfers to the Debt Fund	(3,142,985)	(3,139,734)	(2,136,191)	-0.1%
Net Increase (Decrease) in Fund Balances	10,563,886	7,778,780	1,277,676	-26.4%
Operating Expenditures	\$ 139,600,589	\$ 161,041,622	\$ 171,916,637	15.4%

Increase (Decrease) in Fund Balances

Conference Center	\$ (388,267)	\$ -	\$ 1,055,482
Development & Permits Code			
Compliance - Demolitions	43,907	(217,390)	(24,800)
Tax Increment Financing	(2,089,065)	3,828,301	2,453,832
Open Space Agric. Preservation	204,605	31,854	31,854
Public Utilities	6,046,461	1,834,527	1,894,586
Stormwater	1,296,531	(4,002,589)	(2,700,688)
Transportation System	5,449,715	6,304,076	(1,432,591)
Total Increases (Decreases)	\$ 10,563,886	\$ 7,778,780	\$ 1,277,675

Agriculture

112050

Description:

The Department of Agriculture (also referred to as Virginia Cooperative Extension or VCE) provides research, consultation, and program specific training for the citizens of Chesapeake in the areas of Agriculture, Horticulture, Natural Resources, Family and Consumer Sciences, and 4-H. Through local relationships and collaborative partnerships, this department helps people put scientific knowledge to work through learning experiences that improve economic, environmental, and social well-being. This is accomplished through the following activities:

- Assist farmers in using the most current technology and management practices.
- Offer educational and technical information to citizens and landscape industry about landscaping, turf management, and home gardening.
- Enlist volunteer support to help accomplish educational mission through trained Master Gardener Volunteers.
- Conduct educational programs about conservation and recycling for farms and homeowners.
- Assist the Virginia Dare Soil and Water Conservation District with implementation of best management practices (BMP's) for farming operations.
- Conduct educational programs that help families become resilient and healthy by teaching nutrition, food preparation skills, positive child care, family communication, financial management, and health care strategies.
- Offer training in important life skills to youth that build character and assist them in making appropriate life and career choices.

Budget by Program	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
83100 Agriculture	\$ 382,472	\$ 412,598	\$ 416,845	1.0%

Goals:

- Provide research-based information to agricultural and horticultural producers to assist them in producing crops and livestock as economically as possible and increase their skills in marketing and business management while maintaining water/environmental quality.
- Provide technical information and assistance to households which maintain and improve their homes, grounds, and quality of life.
- Provide useful research-based information and teach technical skills in nutrition, human development and financial management to enable citizens to make the best use of their resources and live full and productive lives.
- Provide 4-H youth, and adults working with those youth, opportunities to realize their full potential—becoming effective, contributing citizens through participation in research-based, hands-on educational experiences.

Agriculture

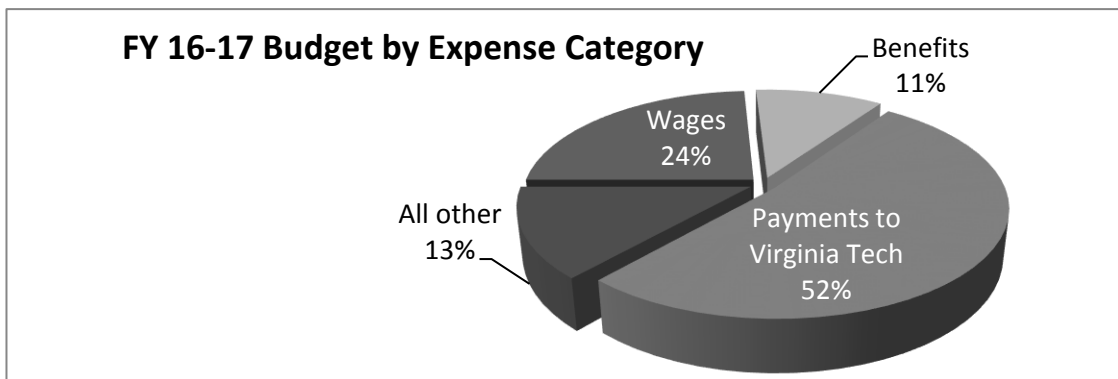
112050

Performance Measures	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
# of educational meetings	382	300	330	10%
# of citizen's inquiries	11,476	11,000	11,500	5%
# of volunteers	400	230	250	9%
# of 4-H members	935	1,000	1,100	10%
# of 4-H youth contacts	5,000	6,800	6,800	0%
# of newsletters, articles, by-mail courses	8,872	3,000	2,800	-7%

Budget Highlights

- Per the new MOU dated September 2015, all extension agents are now paid by Virginia Tech's payroll rather than the City's payroll. The FY 16-17 budget decreased for salaries, wages and benefits due to the revised payroll arrangement, and it correspondingly increased for the general expense reimbursement to VA Tech for all agent salaries.
- For FY16-17, the internal service charges increased due to increased costs expected for information technology and risk management.
- For FY16-17, other expenditures increased due to a new copier contract. However, materials costs decreased because some supplies are now provided in the contract.

Requirements:	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior Year
Salaries and wages	\$ 159,012	\$ 166,572	\$ 100,508	-39.7%
Employee benefits	48,208	59,728	44,202	-26.0%
Purchased services	8,000	8,000	8,000	0.0%
Payment to Virginia Tech	125,788	132,347	216,459	63.6%
Internal service charges	22,705	25,032	27,419	9.5%
Other expenditures	10,970	13,021	16,611	27.6%
Materials	7,788	7,898	3,646	-53.8%
Total Expenses/Requirements:	\$ 382,472	\$ 412,598	\$ 416,845	1.0%



Agriculture

112050

Personnel:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
119	Administrative Assistant I	1.00	1.00	1.00	0.00
Unclass.	Agriculture Agents	4.00	4.00	4.00	0.00
113	Office Specialist II	1.00	1.00	1.00	0.00
Total Department Personnel		6.00	6.00	6.00	0.00

The positions listed above include positions paid by the City, and those paid directly by Virginia Tech.

Operating Revenues

100	General Fund				
	State Shared Expenses	\$ 83,188	\$ 75,348	\$ 84,270	11.8%
	Total Revenues	\$ 83,188	\$ 75,348	\$ 84,270	11.8%
	General Fund Support	299,283	337,250	332,575	-1.4%
	Total Resources	\$ 382,472	\$ 412,598	\$ 416,845	1.0%

Budget by Fund:

100	General Fund	\$ 382,472	\$ 412,598	\$ 416,845	1.0%
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Conference Center & Convention and Visitors Bureau
(a division of Parks, Recreation & Tourism)

112070

Description:

The Chesapeake Conference Center is a convention facility that attracts more than 200,000 guests annually. With a fully operational food and beverage division and 22,700 square feet of meeting space, the Chesapeake Conference Center is a premier venue that provides for the hospitality needs of businesses, organizations, and individuals. It also contributes to the economic vitality of the City by increasing the occupancy rate of nearby hotels and restaurants. The Conference Center is partially funded by hotel and restaurant taxes.

The Convention and Visitors Bureau (CVB) actively solicits local, regional, national, and international organizations searching for a venue to hold meetings, or other hospitality services. The Bureau is funded by the Occupancy Flat Tax of \$1.00 per room night sold in Chesapeake hotels.

Tourism, through the development of entertainment, recreational, scenic, cultural, heritage and conference venues enhances the quality of life for all citizens in Chesapeake.

Code	Program Title	Program Description
81100	Conference Center	A convention facility serving the hospitality needs of current and future businesses, organizations, and individuals. Expenses include non-contract related repairs and improvements mainly relating to facility costs including capital outlays and commitments made before the current contract became effective.
81101	Convention and Visitors Bureau	Solicits conventions, meetings, and related group business and visitor promotions that generate overnight stays.
81200	Conference Center Operations - Payments to VenuWorks	In February 2014, the City entered into a five-year agreement with VenuWorks to manage the City's Conference Center. Expenses include fixed monthly management fees, incentive fees, and reimbursements for operating costs.

Budget by Program		FY 14-15	FY 15-16	FY 16-17	Change from
		Actual	Budget	Budget	prior year
81100	Conference Center	\$ 378,071	\$ 298,847	\$ 314,709	5.3%
81101	Conv. & Visitors Bureau	1,033,647	1,174,502	1,151,434	-2.0%
81200	Center Operations - VenuWorks Contract	2,205,958	2,284,192	2,490,310	9.0%
Total By Program		\$ 3,617,675	\$ 3,757,541	\$ 3,956,453	5.3%

Conference Center & Convention and Visitors Bureau
(a division of Parks, Recreation & Tourism)

112070

Goals:

Conference Center

- Contribute to the economic and cultural vitality of the City through collaborative marketing efforts with the Conventions and Tourism Development Office in order to generate revenues in support of the hotel and restaurant community.
- Become a superb venue that is both architecturally pleasing and technologically advanced by pursuing technological and visual upgrades in the Conference Center.
- Increase market share of hospitality industry business in Hampton Roads.

Convention and Visitors Bureau

- Maximize local tax relief via visitor spending by being competitive in the positive recruitment of out-of-market meetings, conventions, group tours, sports teams, and leisure travel to Chesapeake.
- Establish a strong media outreach program to position Chesapeake as a tourism destination for meetings, sports, events, and leisure travel. Maintain the destination brand and the unified message to visitors inquiring about Chesapeake.
- Provide visitor and convention services to influence visitor spending and lengthen stays in Chesapeake.

Performance Measures	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Convention and Visitors Bureau:				
Leads generated	100	100	103	3.0%
Lead room nights	27,046	26,900	27,857	3.6%
Booked room nights	7,727	7,200	7,958	10.5%
CCC events booked	2	5	5	0.0%
Visitor inquiries	14,758	20,000	15,200	-24.0%

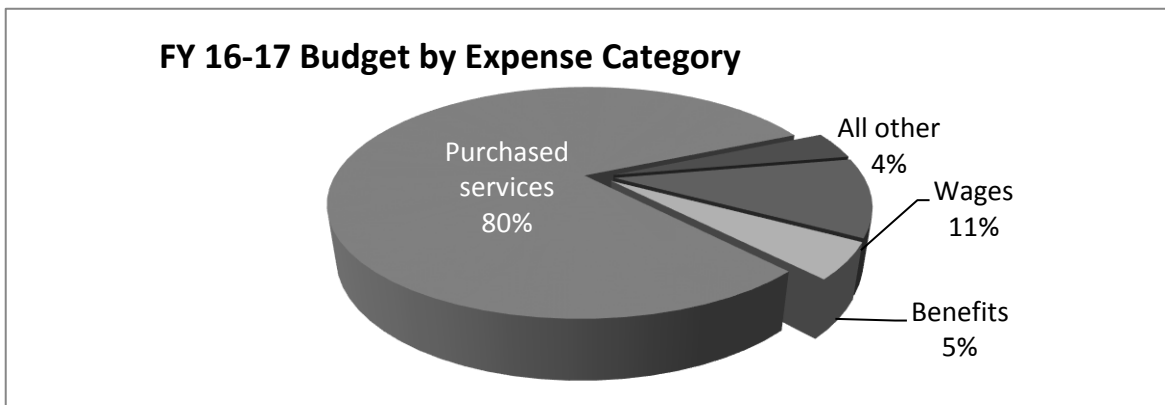
Budget Highlights:

- On February 12, 2014, the City entered into a five-year agreement with VenuWorks of Ames, Iowa for the management of the City's Conference Center for a monthly management fee of \$8,000 plus incentive fees based on measurable performance. Private management is expected to improve utilization of the center and lead to better operating results. Oversight for the division was transferred to Parks, Recreation, and Tourism in February 2014. Please see the related Parks and Recreation budgets included in the Quality Community of Life section of the document.
- Purchased services includes the payments to VenuWorks for the fixed monthly management service, as well as reimbursement for operational costs as submitted by the contractor.
- Internal service charges represent only the Visitor's Bureau costs.

Conference Center & Convention and Visitors Bureau
 (a division of Parks, Recreation & Tourism)

112070

Requirements:	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Salaries and wages	\$ 326,411	\$ 400,958	\$ 453,877	13.2%
Employee benefits	185,187	181,928	144,772	-20.4%
Purchased services	2,869,888	2,982,961	3,218,958	7.9%
Internal service charges	44,542	10,540	7,668	-27.2%
Other expenditures	97,235	125,854	125,878	0.0%
Materials	56,729	5,300	5,300	0.0%
Capital outlay	37,683	50,000	-	-100.0%
Total Expenses/Requirements:	\$ 3,617,675	\$ 3,757,541	\$ 3,956,453	5.3%



Personnel:		FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Grade	Positions				
Chesapeake Conference Center:					
128	Management Analyst	1.00	1.00	1.00	0.00
Convention & Visitors Bureau:					
115	Office Coordinator	1.00	1.00	1.00	0.00
122	Sales Manager	4.00	4.00	4.00	0.00
130	Convention & Tourism Manager	1.00	1.00	1.00	0.00
Total Department Personnel		7.00	7.00	7.00	0.00

Conference Center & Convention and Visitors Bureau
 (a division of Parks, Recreation & Tourism)

112070

Operating Revenues		FY 14-15	FY 15-16	FY 16-17	Change from
Fund	Resource	Actual	Budget	Budget	prior year
206	Conference Center				
	Other Local Taxes	\$ 3,636,643	\$ 3,615,000	\$ 3,891,200	7.6%
	Use of Money and Property	191,836	235,719	261,600	11.0%
	Charges for Services	110,512	59,184	125,000	111.2%
	Miscellaneous Revenue	1,144,633	1,344,143	1,502,600	11.8%
	Recovered Costs	27,117	8,495	(8,465)	-199.6%
	Total Revenues	\$ 5,110,742	\$ 5,262,541	\$ 5,771,935	9.7%
	Use of Fund balance	388,267	0	0	0.00%
	Total Resources	\$ 5,499,008	\$ 5,262,541	\$ 5,771,935	9.68%
	Use of Resources				
	Operations	\$ 3,617,675	\$ 3,757,541	\$ 3,956,453	5.3%
	Transfers to the Debt Fund	1,000,000	1,000,000	-	-100.0%
	Transfers to Capital Projects	873,000	505,000	760,000	50.5%
	Transfer to General Fund	8,333	-	-	N/A
	Contribution to Fund Balance	-	-	1,055,482	N/A
		\$ 5,499,008	\$ 5,262,541	\$ 5,771,935	9.68%

Budget by Fund:	Actual	Budget	Budget	
206 Conference Center	\$ 3,617,675	\$ 3,757,541	\$ 3,956,453	5.3%

Notes:

Transfers to the Capital Projects fund for \$760,000 addresses Phase 1 of a new storage facility and replacement HVAC.

Development & Permits

113080

Description:

The Department of Development and Permits ensures compliance with City building and zoning ordinances and with the Virginia Uniform Statewide Building Code. The department reviews building plans for new construction and renovations prior to issuing appropriate permits. Part of this review includes providing guidance to applicants in their completion and submission of applications and required documents. The department also issues plats and bonds/agreements, and Certificates of Occupancy. Services cover both commercial and residential properties.

Code	Program Title	Program Description
34105	Engineering & Construction	Provide professional engineering services in the design, review, approval, permitting and inspection of development plans (subdivision and site plans).
34106	Code Compliance & Zoning	Manages the compliance activities with building and zoning regulations for the construction, alteration, repair and maintenance of all buildings/properties and land uses.
12700	Code Compliance - Demolitions	Enforces the zoning ordinance, the property maintenance code, several nuisance ordinances and environmental codes relative to health, safety and welfare. This program is limited to City-initiated abatement of violations for high grass, debris and demolition of unsafe structures. Building owners are required to reimburse the City for abatement costs (liens are attached to properties to ensure collection).

Budget by Program		FY 14-15	FY 15-16	FY 16-17	Change from
		Actual	Budget	Budget	prior year
34105	Engineering & Construction	\$ 2,524,308	\$ 2,742,848	\$ 2,678,908	-2.3%
34106	Code Compliance & Zoning	3,583,757	3,945,969	3,855,926	-2.3%
12700	Code Compliance - Demolitions	211,964	432,590	240,000	-44.5%
Total By Program		\$ 6,320,029	\$ 7,121,407	\$ 6,774,834	-4.9%

Development & Permits

113080

Goals

- Review and approval of development projects in a timely and efficient manner.
- Provide inspections of development to ensure adequate construction of public facilities that the City will be accepting for maintenance.
- Maintain effective right-of-way permitting that will facilitate the construction schedule for approved plans.
- Create a multi-task service delivery organization through cross-training.
- Apply current technologies to increase productivity, efficiency and enhance customer service.
- Improve communication and interaction with other city departments, state agencies and local constituents by updating the Development, Land Use and Construction web page that details the procedures for processes such as utility activation, tenant space build-out, fees schedule, etc.
- Continue to pursue voluntary compliance with the City Code and take corrective action when necessary to achieve compliance.
- Collaborate with Public Works and the Stormwater Management program to ensure compliance with State mandated regulations. Assist customers with Department of Environmental Quality Stormwater Regulations that were implemented July 2014. Minimize disruptions in the development process due to the new regulations and processes.
- Work with Information Technology to develop an Electronic Development & permitting system. Develop implementation that will provide training for staff and customers.

Performance Measures	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Engineering & Construction:				
# of subdivision plans processed	55	35	25	-28.6%
# of site plans processed	90	40	45	12.5%
# of development plans processed	1,282	1,000	1,100	10.0%
# of civil permits processed	141	140	140	0.0%
# of Franchise utility permits	1,607	1,600	1,750	9.4%
Code Compliance & Zoning:				
Permits issued per fiscal year	13,747	11,000	14,200	29.1%
Construction inspections performed	37,065	33,356	38,000	13.9%
# of plan reviews performed residential	384	253	500	97.6%
# of plan reviews - Commercial	408	380	400	5.3%
Zoning related service requests	3,164	3,483	3,700	6.2%
Property maint. related service requests	5,074	5,013	5,200	3.7%
Code Compliance - Demolitions:				
# of demolitions	67	40	60	50.0%
# of grass/weed violations cited	2,520	2,400	2,500	4.2%
# of board-ups	41	25	40	60.0%

Development & Permits

113080

Budget Highlights:

- Salaries and wages increased for a 2.5% wage increase for employees. Employee benefits decreased overall by 11% due to reduced costs for Other Post-Employment Benefits (OPEB) and the required contribution to the Virginia Retirement System. Health insurance rates are expected to increase for FY 16-17.
- Development and Permits continues to review and reclassify the department's personnel to best meet service demands, while limiting the need for new positions. The FY 16-17 budget includes a major reorganization of the department's general funded divisions in order to modify position functions to better align with customer service needs.
- The department reclassified fifteen positions, retitled a position series, and eliminated a vacant position. The department also eliminated all special project positions for FY 16-17 because the Accela eBuild capital project will be completed during FY 15-16. As positions became vacant, portions of the reorganization were implemented in FY 15-16.
- The reclassifications for the Engineering and Constructing division included converting:
 - One FT Engineering Technician II position to FT Customer Service Manager*.
 - One FT Engineering Technician II position to FT Engineering Technician III*.
- This division also requested the reclassification of one FT Office Assistant I to a FT Records Specialist, but this request was denied.
- The reclassifications for the Code Compliance and Zoning division included converting:
 - One FT Environmental Coordinator position to FT Landscape Coordinator*.
 - One FT Code Compliance Manager position to FT Permit Services Administrator*.
 - One Office Specialist II position to FT Payroll/HR Technician II*.
 - One FT Permits Manager position to FT Code Enforcement Administrator*.
 - One FT Combination Inspection Technician position to FT Plans Examiner I*.
 - One FT Combination Inspector I position to FT Plans Examiner I*.
 - One FT Code Compliance Inspector position to Plans Examiner I*.
 - One FT Senior Code Compliance Inspector to Plans Examiner II*.
 - Two FT Office Specialist II positions to two FT Account Technician I.
 - One FT Office Assistant II position to Customer Service Clerk I.
 - One FT Combination Inspector I position to FT Combination Inspector II.
 - One FT Plans Examiner position (now Plans Examiner I) to FT Plans Examiner II.

** indicates position reclassification was approved and implemented during FY 15-16.*
- The department also reclassified the job titles for the Plans Examiner position series from Plans Examiner and Senior Plans Examiner to Plans Examiner I and Plans Examiner II. The transition to the new titles was approved and implemented during FY 15-16.
- The division eliminated one vacant FT Office Systems Specialist position because the position was no longer warranted due to the reorganization and reduced IT functions.

Development & Permits

113080

Budget Highlights Continued:

- The division also requested the reclassification of one FT Senior Plans Examiner (now plans Examiner II) to a new classification FT Plans Examiner III and one FT Permit Technician I to FT Permit Technician II, however, both requests were denied.
- For FY 16-17, the Engineering and Construction division budget decreased overall by 2.5% due to reduced costs anticipated for employee benefits (OPEB and VRS), purchased services (repairs and maintenance contracts), other expenditures (trainings and related travel), and supplies and materials. Increased costs are expected for personnel.
- For FY 16-17, the Code Compliance and Zoning division budget also decreased overall by 2.5% due to reduced costs expected for employee benefits (OPEB and VRS), internal service charges (central fleet and information technology), and supplies and materials. However, increased costs are anticipated for personnel and purchased services (for temporary labor for scanning and increased advertising costs).
- The Demolitions division increased its contracted services substantially for FY 14-15 and FY 15-16 to keep up with the demand for the enforcement of the City's ordinances on Dangerous & Derelict Buildings and Structures. The division was able to address those additional needs, and the FY 16-17 budget reflects a return to the prior service level.

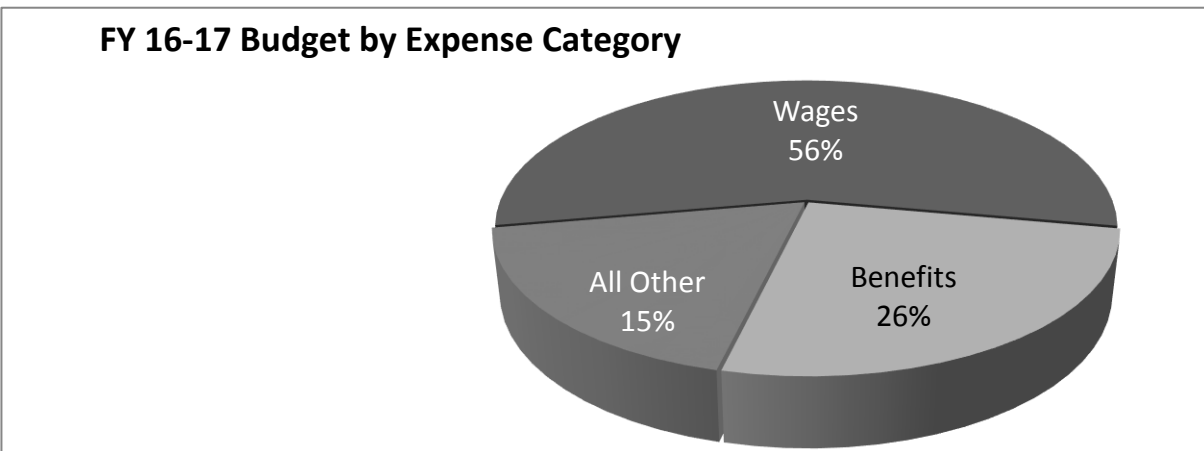
Emerging Budget Issues:

- There is still some uncertainty about how the automated permit system, Accela eBuild, will impact operations and the budget. The department implemented Accela eBuild during November 2015. Now that the system has gone live, the department will monitor the effects on current workload during an observation period. Last year, the department requested a Business Application Specialist I in anticipation of system maintenance and providing other departments with modifications as needed to the system. However, that position was not supported. The department anticipates there will be complex issues to resolve with customers and there may be higher volume of scanning.
- The building inspection volume has been steadily increasing, however, the number of inspections that can be provided has reached the limit of the current staffing level. If this trend continues, additional inspectors will need to be added in the FY 17-18 budget.

Development & Permits

113080

Requirements:	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Salaries and wages	\$ 3,637,326	\$ 3,961,215	\$ 4,048,533	2.2%
Employee benefits	1,672,398	1,845,071	1,644,691	-10.9%
Purchased services	232,179	461,240	282,975	-38.6%
Internal service charges	576,678	628,340	585,208	-6.9%
Other expenditures	116,247	163,507	155,777	-4.7%
Materials	64,587	62,034	57,650	-7.1%
Capital Outlay	20,614	-	-	N/A
Total Expenses/Requirements:	\$ 6,320,029	\$ 7,121,407	\$ 6,774,834	-4.9%



Personnel: Grade	Positions	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
105	Office Assistant I	1.00	1.00	1.00	0.00
106	Data Control Technician I	1.00	1.00	1.00	0.00
107	Office Assistant II	1.00	1.00	0.00	-1.00
109	Customer Service Clerk I	0.00	0.00	1.00	1.00
109	Office Specialist I	1.00	1.00	1.00	0.00
113	Account Technician I	0.00	0.00	2.00	2.00
113	Office Specialist II	3.00	3.00	0.00	-3.00
114	Office Systems Specialist	1.00	1.00	0.00	-1.00
115	Office Coordinator	2.00	2.00	2.00	0.00
117	Payroll/HR Technician II	0.00	0.00	1.00	1.00
117	Permit Technician	3.00	3.00	3.00	0.00
117-119	Code Compliance Inspector	9.00	9.00	7.00	-2.00
119	Engineering Technician II	2.00	2.00	0.00	-2.00
119	Administrative Assistant I	1.00	1.00	1.00	0.00
119	Mechanical/Plumbing Inspector II	1.00	1.00	1.00	0.00
119	Construction Inspector II	7.00	7.00	7.00	0.00
117-120	Combination Inspectors	12.00	12.00	9.00	-3.00

Development & Permits

113080

Personnel Continued:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
119-121	Chief Code Comp.Inspect./Supvsr.	2.00	2.00	2.00	0.00
121	Construction Inspector III	3.00	3.00	3.00	0.00
119-122	Combination Inspect. II/Supvsr.	2.00	2.00	3.00	1.00
123	Engineering Technician III	2.00	2.00	3.00	1.00
123	Plans Examiner	1.00	1.00	0.00	-1.00
123	Plans Examiner I	0.00	0.00	3.00	3.00
124	Environmental Coordinator	1.00	1.00	0.00	-1.00
124	Landscape Coordinator	0.00	0.00	1.00	1.00
125	Construction Inspector Supv.	1.00	1.00	1.00	0.00
125	Plans Examiner II	0.00	0.00	3.00	3.00
125	Senior Plans Examiner	1.00	1.00	0.00	-1.00
126	Permits Manager	1.00	1.00	0.00	-1.00
126	Business Applic. Spec II	1.00	1.00	1.00	0.00
127	Engineering Technical Supv. I	1.00	1.00	1.00	0.00
128	Customer Service Manager	0.00	0.00	1.00	1.00
129	Engineer II	4.00	4.00	4.00	0.00
129	Engineering Technical Supv. II	1.00	1.00	1.00	0.00
130	Code Enforcement Admin.	1.00	1.00	2.00	1.00
130	Fiscal Administrator	1.00	1.00	1.00	0.00
131	Engineer III	1.00	1.00	1.00	0.00
131	Permit Services Administrator	0.00	0.00	1.00	1.00
132	Development Service Coordinator	1.00	1.00	1.00	0.00
134	Engineer IV	2.00	2.00	2.00	0.00
135	Zoning Administrator	1.00	1.00	1.00	0.00
136	Code Compliance Manager	1.00	1.00	0.00	-1.00
137	Plans Review & Codes Admin.	1.00	1.00	1.00	0.00
141	Director of Dev. and Permits	1.00	1.00	1.00	0.00
Department Personnel		76.00	76.00	75.00	-1.00

The following positions are "Special Project" (SP) positions included and funded in the Capital Improvement Plan (CIP). These positions were added in the FY 14-18 CIP, and will be active through FY 15-16.

Grade	Positions	FY 14-15	FY 15-16	FY 16-17	Change from
		Actual	Budget	Budget	prior year
115	Office Coordinator - (SP/EDP)	1.00	1.00	0.00	-1.00
117-119	Code Compliance Inspt. - (SP/EDP)	1.00	1.00	0.00	-1.00
119	Engineering Technician II - (SP/EDP)	1.00	1.00	0.00	-1.00
129	Engineer II - (SP/EDP)	1.00	1.00	0.00	-1.00
Special Project Personnel		4.00	4.00	0.00	-4.00
Total Department Personnel		80.00	80.00	75.00	-5.00

Development & Permits

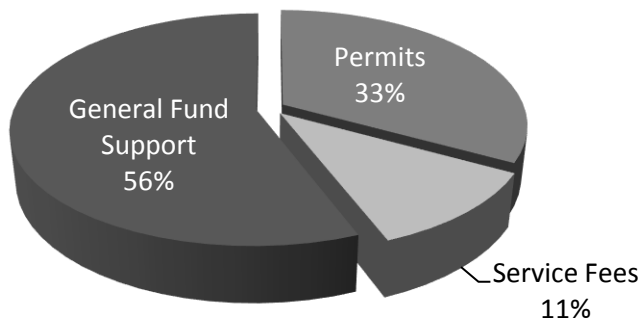
113080

Operating Revenues		FY 14-15	FY 15-16	FY 16-17	Change from
Fund	Resource	Actual	Budget	Budget	prior year
100	General Fund				
	Permits, Privilege & License Fees	\$ 2,261,573	\$ 1,984,200	\$ 2,227,640	0.0%
	Charges for Services	1,010,898	916,900	533,800	0.0%
	Miscellaneous Revenue	24	0	0	0.0%
	Recovered Costs	626	0	0	0.0%
	Total Revenues	\$ 3,273,122	\$ 2,901,100	\$ 2,761,440	0.0%
	General Fund Support	2,834,943	3,787,717	3,773,394	-0.4%
	Total Resources	\$ 6,108,065	\$ 6,688,817	\$ 6,534,834	-2.30%
	Use of Resources				
	Operations	6,108,065	6,688,817	6,534,834	-2.3%
		\$ 6,108,065	\$ 6,688,817	\$ 6,534,834	-2.30%
204	Fee Supported Activities				
	Charges for Services	\$ 255,871	\$ 215,200	\$ 215,200	0.0%
	Total Revenues	\$ 255,871	\$ 215,200	\$ 215,200	0.0%
	Use of Fund balance	0	217,390	24,800	-88.59%
	Total Resources	\$ 255,871	\$ 432,590	\$ 240,000	-44.52%
	Use of Resources				
	Operations	\$ 211,964	\$ 432,590	\$ 240,000	-44.5%
	Contribution to Fund Balance	43,907	0	0	N/A
		\$ 255,871	\$ 432,590	\$ 240,000	-44.52%

Budget by Fund:

100 General Fund	\$ 6,108,065	\$ 6,688,817	\$ 6,534,834	-2.3%
204 Fee Supported Activities	211,964	432,590	240,000	-44.5%
Total by Fund	\$ 6,320,029	\$ 7,121,407	\$ 6,774,834	-4.9%

FY 16-17 Development & Permits Resources



Economic Development

113010

Description:

The Department of Economic Development helps to attract, retain, and expand high quality industry and business to create a stable, diverse tax base and economy; thereby, creating jobs and improving the standard of living for the citizens of Chesapeake. These core functions are achieved by:

- Developing and implementing programs which encourage industries and businesses to locate within the City.
- Serving the existing industrial/business community with an effective retention program, and serving as liaison between industry/business and the City.
- Serving staff functions for the Economic Development Authority, Chesapeake Port Authority, and Economic Development Advisory Committee.

Budget by Program		FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
81050	Economic Development	\$ 1,692,734	\$ 1,732,915	\$ 1,743,442	0.6%

Goals

- Attract new business investment from targeted industries, and provide an effective Business Retention and Expansion Program in the industrial, commercial, and retail sectors of the City.
- Enhance and add structure to Small, Women, and Minority (SWAM) Business Development Initiative.
- Enhance the use of the department web site to market the City for business location and expansion.
- Promote development opportunities and private sector development of new business parks, commercial areas, and redevelopment corridors.
- Work with Planning Department to implement the strategies of the Development Master Plans for South Norfolk, Great Bridge, Greenbrier, Deep Creek, and Western Branch.
- Increase international business presence by utilizing outreach marketing, particularly in Europe, the Far East, and South America.
- Attract continued and increased private investment within the TIF Districts.
- Implement the initiatives and continuum of improvements within the directives set forth in the City ordinance establishing the TIF Districts.

Economic Development

113010

Performance Measures	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
# of new businesses located	24	15	15	0.0%
# of new bus. expanded	38	40	40	0.0%
Jobs added by new business	623	500	750	50.0%
Existing jobs retained	914	750	750	0.0%

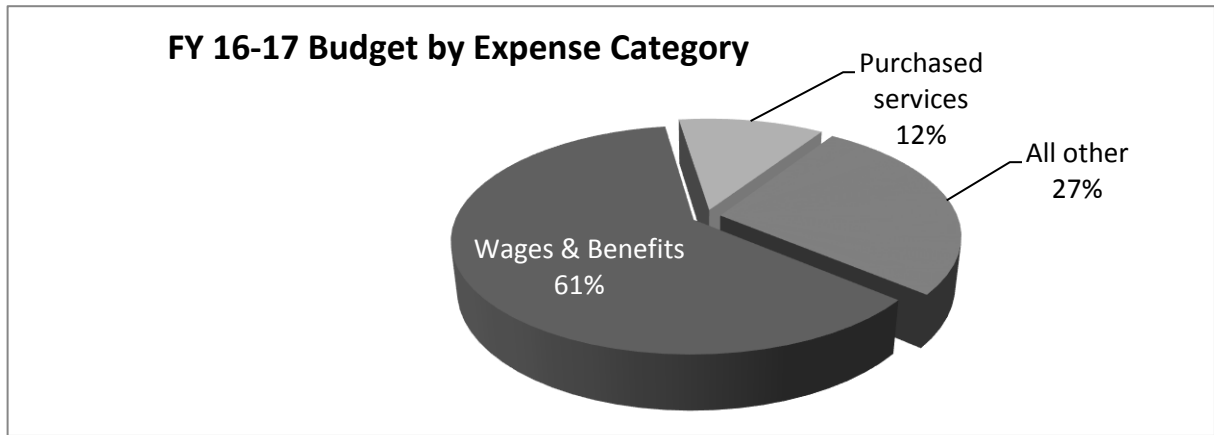
Budget Highlights:

- The increase in salaries is due to the inclusion of funding for a 2.5% pay increase and the inclusion of the salary for a full-time Management Analyst position. The department previously had a part-time Fiscal Administrator position that was converted to a full-time Management Analyst during the FY16 budget cycle. The decrease in the benefits category is largely due to a decrease in the amount allocated for Other Post Employment Benefits (OPEB).
- A decrease in information technology charges is the reason for the decline in internal service charges.
- The slight increase in other expenditures is primarily due to the increased allotment for telephone expenses.
- Reductions made to office supplies and equipment accounts for the \$4,000 reduction in materials.

Requirements:	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Salaries and wages	\$ 711,673	\$ 757,148	\$ 787,040	3.9%
Employee benefits	308,465	308,582	298,570	-3.2%
Purchased services	140,276	202,296	202,296	0.0%
Internal service charges	133,456	99,973	94,071	-5.9%
Other expenditures	375,349	345,416	345,965	0.2%
Materials	23,516	19,500	15,500	-20.5%
Total Expenses/Requirements	\$ 1,692,734	\$ 1,732,915	\$ 1,743,442	0.6%

Economic Development

113010



Personnel:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Budget	Budget	Budget	prior year
109	Office Specialist I	1.00	1.00	1.00	0.00
113	Office Specialist II	1.00	1.00	1.00	0.00
118	Marketing Research Assistant	1.00	1.00	0.00	(1.00)
122	Marketing Research Specialist	0.00	0.00	1.00	1.00
128	Business Development Rep.	2.00	2.00	2.00	0.00
128	Management Analyst	0.00	0.00	1.00	1.00
130	Fiscal Administrator	0.63	0.63	0.00	(0.63)
132	Development Svcs. Coord.	1.00	1.00	1.00	0.00
132	Sr. Business Development Mgr.	2.00	2.00	2.00	0.00
135	Asst. Director of Econ. Dev.	1.00	1.00	1.00	0.00
142	Director of Economic Dev.	1.00	1.00	1.00	0.00
Total Department Personnel		10.63	10.63	11.00	0.37

Budgeted Resources:

No direct revenues are allotted or assessed

Budget by Fund:	FY 14-15	FY 15-16	FY 16-17	Change from
	Actual	Budget	Budget	prior year
100 General Fund	\$ 1,692,734	\$ 1,732,915	\$ 1,743,442	0.6%

Planning Department & Planning Commission

111050

Description:

The Planning Department consists of four divisions - Comprehensive Planning, Current Planning, Planning Management Support, and Administration. The department is responsible for:

- Collecting, analyzing, and coordinating data relative to society, economy, and the physical development of the City.
- Developing and updating the City's Comprehensive Plan. This is the City's overall policy document regarding the future development of the City and is used to guide future resource allocation decisions.
- Preparing and updating various development and socio-economic data sets that provide the foundation for analyses and policy recommendations.
- Developing and maintaining the City's Zoning Ordinance, Subdivision Ordinance, and Chesapeake Bay Preservation Ordinances.
- Reviewing all rezoning, conditional use permits, subdivisions and site plans.
- Assigning addresses to new building permits.
- Providing recommendations to the Planning Commission, City Council, and City management on land development decisions affecting zoning, the environment, and transportation.
- Supporting the Historic Preservation Commission, the South Norfolk Architectural Review Board, and the Bikeways and Trails Committee, as well as, an assortment of state and regional efforts.
- Overseeing the operation and administration of the Community Development Grant Program (CDBG), HOME Investment Partnership Program (HOME), and the Neighborhood Stabilization Program (NSP) funded by the Federal government.

The Planning Department's mission is to provide guidance and expertise in land use, planning, and development in order to optimize fiscal, human, and natural resources for the orderly physical development of the City, and to maintain a high quality of life for all citizens.

The **Planning Commission**, although separate, is presented with the Planning Department. The Planning Commission conducts public hearings and provides recommendations to City Council regarding the Comprehensive Plan amendments, development applications, ordinance amendments, and other land use matters. The commission serves primarily in an advisory capacity to the City Council.

The **Open Space and Agricultural Preservation** program is a voluntary program that protects open space through the purchase of development rights. One focus of the program is encroachment prevention agreements with the United States Navy for NALF Fentress and NSA Northwest Annex. OSAP provides for the preservation of open space that helps sustain the agricultural industry, protects military facilities from incompatible development, protects the watershed, and helps control the increase of public services normally associated with residential growth.

Planning Department & Planning Commission

111050

Budget by Program	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
81000 Planning	\$ 1,969,978	\$ 2,147,840	\$ 2,121,200	-1.2%
81002 Planning Commission	37,170	61,824	61,824	0.0%
81007 Open Space & Agricultural Preservation	-	175,000	175,000	NA
Total By Program	\$ 2,007,148	\$ 2,384,664	\$ 2,358,024	-1.1%

Goals

- Develop, monitor and update strategic plans pertaining to the physical form and economic development of the City.
- Provide technical expertise and good planning practice in the application of city, state and federal codes to the development review process.
- Coordinate information management functions and provide support to the Comprehensive and Current Planning divisions, as well as special City Manager and City Council requests.
- Provide staff support and assistance to City Council appointed boards, commissions, and committees.
- Provide timely and accurate information.
- Represent and protect the City's interests in regional, state and federal initiatives as necessary.
- Promote the orderly development of the City to improve the health, safety, convenience and welfare of its citizens through planning for the future development of the City's transportation systems, community facilities, agricultural and forest land preservation, economic and efficient use of public funds, and land use.

Planning Department & Planning Commission

111050

Planning Department Performance Measures	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior Year
Administrative review/nonpublic hearing plan reviews	486	490	490	0.0%
Planning Commission public hearing plan reviews	149	155	150	-3.2%
Zoning and Subdivision ordinance amendments	12	15	15	0.0%
Chesapeake Bay Preservation Act (CBPA) Board public hearing reviews	40	35	40	14.3%
Chesapeake Bay Preservation Act (CBPA) Board non-public hearing	298	315	300	-4.8%
Architectural Review Board public hearing reviews	66	80	80	0.0%
Architectural Review Board non-public hearing reviews	96	100	100	0.0%
Street addresses assigned or changed	1,757	2,500	2,500	0.0%
Level of Service /approved residential developments tracked in GIS database	168	155	175	12.9%
Citizen inquiries /PUD letters/ABC permits	9,089	8,380	8,910	6.3%
Demographics research and assistance services	30	30	30	0.0%
City Manager and City Council special reports	39	40	40	0.0%
Number of regional committees planning staff serves	18	18	18	0.0%
HUD funded activities monitored	36	47	45	-4.3%
HUD IDIS System Sessions	730	690	700	1.4%
Community Meetings	14	18	15	-16.7%
Planning Commission				
Public hearings held	12	13	12	-7.7%
Special Meetings	9	20	10	-50.0%

Planning Department & Planning Commission

111050

Budget Highlights:

- Salaries reflect 2.5% pay increase, along with a performance pay wage increase and a 1.5% increase in the base pay scale affecting vacant positions.
- Additional resources are provided for a part-time Accountant II to ensure financial accountability, procedures and controls for general operations, grants and HUD funding.
- Funding for pre-acquisition costs related to the Open Space and Agricultural Preservation program has been included in the general fund as a transfer from the committed revenue allocated to the OSAP program. Funds for the actual purchase of land or development rights will be appropriated as the project is identified.

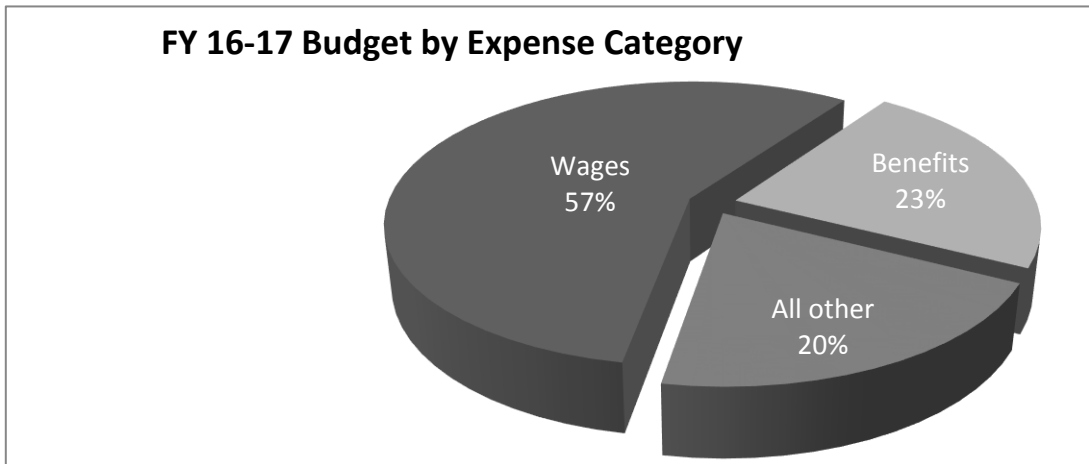
Emerging Budget Issues

- Additional capacity to staff PUD applications and Code amendments analysis as well as architectural and design review.
- Replacements needed for a scanner and for a plotter that is used for printing large maps & images.

Requirements:	FY 14-15	FY 15-16	FY 16-17	Change from
	Actual	Budget	Budget	prior Year
Salaries and wages	\$ 1,244,341	\$ 1,359,301	\$ 1,403,826	3.3%
Employee benefits	494,049	541,175	473,236	-12.6%
Purchased services	6,364	210,400	210,400	0.0%
Internal service charges	176,930	143,084	137,008	-4.2%
Other expenditures	58,056	84,838	84,838	0.0%
Materials	27,407	45,866	48,716	6.2%
Total Expenses/Requirements:	\$ 2,007,148	\$ 2,384,664	\$ 2,358,024	-1.1%

Planning Department & Planning Commission

111050



Personnel:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Budget	Budget	Budget	prior Year
109	Office Specialist I	1.00	1.00	1.00	0.00
113	Office Specialist II	2.00	2.00	2.00	0.00
115	Office Coordinator	2.00	2.00	2.00	0.00
117	Planning Technician	1.00	1.00	1.00	0.00
119	Address Coordinator	1.00	1.00	1.00	0.00
120	GIS Technician II	1.00	1.00	1.00	0.00
125	Accountant II	0.00	0.00	0.63	0.63
126	Senior Planner	8.00	8.00	8.00	0.00
127	Principal Planner	2.00	2.00	2.00	0.00
131	Planning Administrator	3.00	3.00	3.00	0.00
135	Assistant Director of Planning	1.00	1.00	1.00	0.00
141	Director of Planning	1.00	1.00	1.00	0.00
Total Department Personnel		23.00	23.00	23.63	0.63

Planning Department & Planning Commission

111050

Operating Revenues		FY 14-15	FY 15-16	FY 16-17	Change from
Fund	Resource	Actual	Budget	Budget	prior year
100	General Fund				
	Permits & License Fees	\$ 97,102	\$ 130,070	\$ 88,000	-32.3%
	Charges for Services	4,342	3,200	4,100	28.1%
	Recovered Costs	30	-	-	0.0%
	Total Revenues	\$ 101,474	\$ 133,270	\$ 92,100	0.0%
	Transfers from OSAP	2,249	175,000	175,000	0.0%
	General Fund Support	1,903,424	2,076,394	2,090,924	0.7%
	Total Resources	\$ 2,007,148	\$ 2,384,664	\$ 2,358,024	-1.12%
	Use of Resources				
	Operations	\$ 2,007,148	\$ 2,384,664	\$ 2,358,024	-1.1%
		\$ 2,007,148	\$ 2,384,664	\$ 2,358,024	-1.12%
210	Open Space & Agricultural Preservation (OSAP)				
	General Property Taxes	\$ 271,284	\$ 271,284	\$ 271,284	0.0%
	Total Resources	\$ 271,284	\$ 271,284	\$ 271,284	0.00%
	Use of Resources				
	Transfers to the Debt Fund	\$ 64,430	\$ 64,430	\$ 64,430	0.0%
	Transfer to General Fund	2,249	175,000	175,000	0.0%
	Contribution to Fund Balance	204,605	31,854	31,854	0.0%
		\$ 271,284	\$ 271,284	\$ 271,284	0.00%
Budget by Fund:					
	100 General Fund	\$ 2,007,148	\$ 2,384,664	\$ 2,358,024	-1.1%
	210 Open Space & Agricultural Preservation	0	0	0	0.0%
	Total by Fund	\$ 2,007,148	\$ 2,384,664	\$ 2,358,024	-1.1%

Public Utilities

112030

Description:

The Public Utilities Department operates and maintains the Lake Gaston and the Northwest River water treatment plants. Both plants are located within the City of Chesapeake and are equipped to provide treatment and distribution of quality drinking water. The City has also entered into long-term contracts with the cities of Norfolk and Portsmouth for the purchase of approximately 13.4 million gallons of raw and treated water each day. The combination of water contracts and production capacity provides ample water to meet customer demands. The state-of-the-art plants have a centralized laboratory used to test and treat up to 10 million gallons of water a day.

Additionally, the department operates and maintains the water distribution system and the sanitary sewer system. The sanitary sewer system includes gravity and force main piping as well as pumping stations that provide 24-hour a day waste water collection and disposal. Sewage treatment is done by Hampton Roads Sanitation District authority, which bills customers for its services. The department is responsible for the following programs:

Code	Program Title	Program Description
60005 and 60011	Lake Gaston and Northwest River Water Treatment Plants, Transmission, & Storage	Operates and maintains the City's water source and treatment facilities, which provides treatment and distribution of quality drinking water for the Citizens of Chesapeake that meets or exceeds compliance standards. Pumps finished water into the City's distribution and storage network, and manages the storage and transmission systems to ensure an abundant water supply for domestic use, industry, commerce and fire protection. Provides laboratory services for Safe Drinking Water Act compliance and to support the water treatment operations. Manages source water protection and the In-Town Lakes.
60020	Wastewater Maintenance & Operations	Maintains and operates the City's wastewater collection system. Responsible for repair and maintenance of sanitary sewer force mains, gravity mains, and pump stations, which includes inspecting, cleaning, repairing, and replacing sewer mains/appurtenances, and maintaining and repairing the physical, electrical and mechanical pump station operations.
60022	Water Distribution, Maintenance, & Operations	Maintains and operates the City's water distribution system including mains, services, and hydrants, to provide a continuous potable water supply and adequate fire protection to Chesapeake's Citizens. Also installs new water service connections, conducts flow/pressure tests and routine fire hydrant maintenance.
60032	Administration and Accounting	Provides leadership, policy direction, planning, coordination, accounting, information technology, human resources, payroll and safety services for the Public Utilities Department.

Public Utilities

112030

Code	Program Title	Program Description
60033	Utility Business and Customer Service Operations	Processes input by which over 400,000 bills are created annually, manages all customer account activity and interaction on over 65,000 water and sewer accounts, responds to customer calls, receives/ processes payments, manages customer information system, business office, and collections. Installs/ replaces meters as needed. Provides on-site customer assistance on request.
60034	Meter Reading Services	Obtains over 400,000 meter readings annually as required to develop monthly and bimonthly bills for utility customers.
60052	Utilities Engineering	Provides quality technical services relating to the City's water and sanitary sewer system to City staff, the public, developers, engineers, contractors, and State and Federal Agencies. Manages capital projects for the Public Utilities Department. Performs field inspection and support services and GIS support for all of these functions.
95200	Utility Capital Improvement Debt Service	Provides capital improvements throughout the City's sanitary sewer collection and water systems including sewer pipes, pump stations, and telemetry, and water source, treatment, transmission, pumping, storage and distribution to customers City-wide, ensuring compliance with regulations to provide a safe and adequate supply of drinking water for Chesapeake's citizens.

Operating Budget by Program		FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Operating Expenditures					
60005	Water Production-Lake Gaston	\$ 6,188,858	\$ 7,919,188	\$ 8,619,987	8.8%
60011	Water Production-NW River	20,536,425	24,604,873	25,113,698	2.1%
60020	Wastewater Maintenance & Operations	6,655,497	8,186,982	9,301,048	13.6%
60022	Water Distribution, Maintenance & Operations	3,132,611	4,145,913	4,021,615	-3.0%
60032	Administration & Accounting	2,915,952	3,386,987	3,046,796	-10.0%
60033	Utility Business & Customer Service Operations	1,951,211	2,007,349	2,492,271	24.2%
60034	Meter Reading Services	338,420	499,564	377,908	-24.4%
60052	Utilities Engineering	1,178,798	1,715,684	1,742,662	1.6%
Total Operating Expenditures		\$ 42,897,771	\$ 52,466,540	\$ 54,715,985	4.3%
Non-Operating Expenditures:					
95200	Public Utility Debt Service	9,167,967	9,141,520	8,330,816	-8.9%
95202	Revenue Bond Debt Service	2,677,618	2,691,411	2,684,257	-0.3%
Total Public Utilities Budget		\$ 54,743,356	\$ 64,299,471	\$ 65,731,058	2.2%

Public Utilities

112030

Goals:

- Maintain a supply of potable water that meets or exceeds the quality guidelines established by state and federal regulatory agencies.
- Increase public awareness of water treatment.
- Plan and oversee development of water resources to meet future needs of the City.
- Improve preventive maintenance.
- Respond to customer request in a timely manner.
- Evaluate customer complaints and inquiries to forecast future needs and improve service.
- Re-evaluate and revise safety policies and procedures to provide assurance that industry standards and regulations are met.
- Communicate accurate information about system development to engineers in a timely manner.
- Establish an equipment replacement schedule which will replace equipment prior to failure.
- Decrease the number of sanitary sewer overflows.

Performance Measures	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Water Treatment, Transmission and Storage- Lake Gaston:				
Million of gallons treated/delivered	2,685	2,565	2,685	4.7%
% Compliance with quality parameters	100%	100%	100%	0.0%
Water Treatment, Transmission and Storage- Northwest River:				
Million of gallons treated/delivered	894	921	821	-10.9%
% Compliance with quality parameters	100%	100%	100%	0.0%
# of complaints about water quality	135	135	121	-10.4%
Wastewater Maintenance & Operations:				
# of repairs (including emergencies)	2,143	1,500	1,750	16.7%
Miles of collection system cleaned	106	105	105	0.0%
Cost per mile of collection system	\$7,428	\$6,250	\$7,709	23.3%
Water Distribution, Maintenance & Operations:				
Pipeline repairs	507	500	500	0.0%
Water meters installed/repaired	4,140	4,000	4,000	0.0%
Fire hydrants maintained/flushed	1,245	2,600	1,400	-46.2%
New services connected	85	75	85	13.3%
Administration & Accounting:				
Inquiries and complaints received	1,599	1,500	1,763	17.5%
Vouchers processed	5,142	6,500	6,600	1.5%
Track water connections	63,090	64,875	68,119	5.0%

Public Utilities

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Performance Measures continued	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Utility Business & Customer Service Operations:				
Telephone calls received	98,000	100,300	116,000	15.7%
Walk-in customers assisted	14,733	13,900	15,700	12.9%
Active accounts administered	64,423	64,000	65,350	2.1%
Accounts worked in the field	61,957	57,000	68,500	20.2%
Meter Reading Services:				
Meter readings	407,542	430,000	451,000	4.9%
Utilities Engineering:				
Plats reviewed	65	100	100	0.0%
Plans reviewed	371	450	450	0.0%
Miss Utility tickets marked	23,988	17,000	25,000	47.1%
Cross-connection inspections	306	550	550	0.0%
# of utility system activations	62	65	70	7.7%

Budget Highlights:

- Public Utilities is implementing a 4.9% rate increase effective July 1, 2017.
- Salaries and wages increased for FY 16-17, which includes additional costs for new positions and position reclassifications, along with a 2.5% pay increase for employees.
- For FY 16-17, employee benefits decreased overall by 11% due to reduced costs for Other Post-Employment Benefits and the City's required contribution to the Virginia Retirement System. However, health insurance rates increased for FY 16-17.
- For FY 16-17, the department added ten new positions and reclassified four positions.
- The new positions include one FT Utilities Electronic Technician I (Lake Gaston Water Treatment Plant division), two FT Class III Water Treatment Plant Operator (one each for the Lake Gaston and NW River Water Treatment Plant divisions), two FT Motor Equipment Operator III (Wastewater Maintenance & Operations division), one FT Water Meter Tech III (Water Distribution, Maintenance & Operations division), two FT Customer Service Clerk II (Utilities Business & Customer Service Operations division), one FT Project Manager (Engineering division), and one FT Cross Connection Inspector II (Engineering division).
- The reclassifications include converting four vacant Laborer* positions to Laborer/Operator positions (Wastewater Maintenance & Operations). **Approved in October 2015.*
- Temporary labor services costs increased for FY 16-17 to address gaps/vacancies in permanent staff. The department plans to address the permanent resource needs through the additional positions and reclassifications requested for FY 16-17 and future years.

Public Utilities

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Budget Highlights continued:

- For FY 16-17, the annual overhead payment amount to defray the department's share of City overhead costs increased to be closer to the full amount identified in the annual Cost Allocation Report published by Maximus. The increased payment for the department's overhead obligation was offset by the department's decreased costs for OPEB for FY 16-17.
- For FY16-17, the internal service charges increased for the department's use of services provided by the City for information technology, self-insurance and central fleet increased.
- For FY 16-17, general expenses for water purchased for resale decreased overall by \$314,000 due to anticipated decreases from the FY 15-16 budgeted amount. Chemicals for water treatment also decreased by \$117,000 for FY 16-17 due to the favorable experience of a year-long trial with an alternate coagulant at the Lake Gaston Water Treatment Plant that resulted in lower than anticipated treatment costs.
- For FY 16-17, the department's capital outlay costs increased for new and replacement capital machinery, equipment and vehicles by \$2.19 million. During the economic downturn, the department delayed purchasing many of the needed replacements due to budget constraints. Increased funding was provided in FY 14-15 and FY 15-16 to begin the process of replacing the older machinery, equipment and vehicles, which will continue in FY 16-17 and into future years.
- The Lake Gaston and NW River Water Treatment Plants, Transmission and Storage division budgets for FY 16-17 increased by \$674,000 and \$524,000 respectively due to increased costs anticipated for personnel, overtime, benefits, purchased services (contractual services, repairs and maintenance contracts) and capital outlays (equipment and improvements).
- The Wastewater Maintenance & Operations division budget increased by \$1.3 million for FY 16-17 due to increased costs anticipated for personnel, benefits, repairs, equipment leases and capital outlays (equipment and improvements).
- The Water Distribution, Maintenance & Operations division budget decreased by \$138,000 for FY 16-17 due to anticipated reduced costs for overtime, benefits and capital outlays.
- The Administration and Accounting division budget decreased overall by \$340,000 for FY 16-17 primarily due to the reassignment of \$500,000 for bad debt expenses from this division to the Utilities Business and Customer Service Operations division. Salary and benefits costs also decreased for this division due to employee turnover and reduced benefit expenses.
- The Utilities Business and Customer Service Operations division increased overall by \$480,000 for FY 16-17 primarily due to the reassignment of \$500,000 for bad debt expenses to this division as well as increased costs anticipated for personnel and benefits due to new positions. The increased costs were partially offset by decreased capital outlay costs for this division.
- The Meter Reading Services division budget decreased by \$120,000 for FY 16-17 due employee turnover, decreased benefits costs (VRS and OPEB) and reduced capital outlay costs.
- The Utilities Engineering division budget increased by \$26,000 for FY 16-17 due to increased costs anticipated for personnel, benefits and increased capital outlay. The increased costs were partially offset by reduced costs for repairs and travel-conference registration fees.

Public Utilities

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Budget Highlights continued:

- While water and sewer fees can only be used for the distribution, collection and treatment of water and sewage, the Utilities Department makes certain payments to the City for services it receives. These include:
 - (1) Annual payment of \$1,000,000 to defray the department's share of City overhead costs (e.g., finance, budget, and administration). This payment is based on an annual Cost Allocation Report published by Maximus.
 - (2) Internal service charges for the department's use of information technology, self insurance and central fleet services provided by the City.

Emerging Budget Issues:

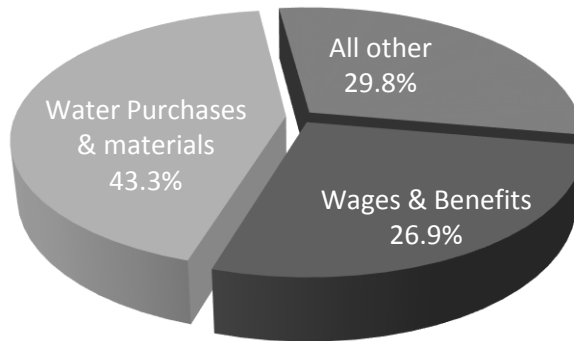
- Uncertainty of regulatory requirements of the Virginia Dept. of Environmental Quality (DEQ).
- Final outcome and impact of regionalization from the Hampton Roads Sanitation District has not been determined.
- Increased funding has been requested for FY 16-17, FY 17-18 and FY 18-19 to fully address the department's resource gaps and meet current and future workload needs.
- Increased funding will be needed to fund new and replacement Capital Equipment and Improvements. The department has requested an additional \$2.19 million for FY16-17, \$100,000 for FY 17-18 and \$1.65 million for FY18-19.
- Loss of revenue from the closure of Dominion Virginia Power's Chesapeake Energy Center. This customer was previously one of the top five purchasers of water in the City.

Public Utilities

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Requirements:	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Operating Expenditures				
Salaries and wages	\$ 8,276,016	\$ 10,021,254	\$ 10,390,800	3.7%
Employee benefits (incl. OPEB)	3,881,658	4,902,340	4,351,495	-11.2%
Purchased services	2,868,663	4,216,648	4,465,937	5.9%
Overhead allocation	500,000	750,000	1,000,000	33.3%
Internal service charges	1,783,685	1,670,107	1,773,982	6.2%
Other expenditures	2,782,729	3,017,281	3,102,699	2.8%
Water purchases and materials				
Water purchased for resale	17,934,342	20,642,021	20,327,641	-1.5%
Water - repair & maintenance supplies	1,243,385	1,124,351	1,116,026	-0.7%
Water - other operating chemicals	1,009,389	1,458,245	1,341,546	-8.0%
Water - other materials & supplies	642,805	898,993	883,859	-1.7%
Capital outlay	1,975,098	3,765,300	5,962,000	58.3%
Total Operating Expenditures	\$ 42,897,771	\$ 52,466,540	\$ 54,715,985	4.3%
Non-Operating Expenditures:				
Principal & interest	11,845,585	11,832,931	11,015,073	-6.9%
Total Expenses/Requirements:	\$ 54,743,356	\$ 64,299,471	\$ 65,731,058	2.2%

FY 16-17 Budget by Expense Category



Public Utilities

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Personnel:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
103	Laborer	10.00	11.00	7.00	-4.00
103	Service Dispatcher	1.00	1.00	1.00	0.00
104	Housekeeper I	1.00	1.00	1.00	0.00
105	Office Assistant I	0.88	1.63	1.63	0.00
105	Water Meter Technician I	1.00	0.00	0.00	0.00
106	Laborer/Operator	19.00	19.00	23.00	4.00
106	Water Prod. Maint. Worker	2.00	2.00	2.00	0.00
107	Office Assistant II	2.00	2.00	1.00	-1.00
107	Storekeeper I	1.00	1.00	2.00	1.00
107	Water Meter Technician II	7.25	9.25	10.25	1.00
108	Customer Service Mechanic	7.00	7.00	7.00	0.00
108	Motor Equipment Operator I	8.00	8.00	8.00	0.00
108	Tradeshelper	1.00	1.00	1.00	0.00
109	Customer Service Clerk I	3.63	3.63	3.63	0.00
111	Motor Equipment Operator II	9.00	10.00	10.00	0.00
111	Pump Station Mechanic I	8.00	8.00	8.00	0.00
111	Water Meter Technician III	2.00	2.00	2.00	0.00
112	Building Maint. Mechanic I	1.00	1.00	1.00	0.00
112	Customer Service Clerk II	5.00	6.00	8.00	2.00
112	Laboratory Technician	1.00	1.00	1.00	0.00
113	Account Technician I	0.00	0.00	0.00	0.00
113	Motor Equipment Operator III	2.00	2.00	4.00	2.00
113	Office Specialist II	2.00	2.00	2.00	0.00
114	Crew Leader	9.00	9.00	9.00	0.00
114	Customer Service Clerk III	2.00	2.00	2.00	0.00
114	Electrician II	2.00	2.00	2.00	0.00
114	Pump Station Mechanic II	1.00	1.00	1.00	0.00
114	Utilities Locator	3.00	3.00	3.00	0.00
115	Office Coordinator	2.00	2.00	2.00	0.00
115	Payroll/HR Technician I	1.00	1.00	1.00	0.00
116	Account Technician III	1.00	2.00	2.00	0.00
117	Bacteriologist I	1.00	1.00	1.00	0.00
117	Collection Agent I	1.00	1.00	1.00	0.00
117	Engineering Technician I	1.00	1.00	1.00	0.00
117	Payroll/ HR Technician II	1.00	1.00	1.00	0.00
117	Storekeeper Supervisor	1.00	1.00	1.00	0.00
117	Water Prod. Maint. Mech.	2.00	2.00	2.00	0.00
117	Crew Supervisor II	5.00	5.00	5.00	0.00
118	Customer Service Supervisor	2.00	2.00	2.00	0.00
118	Electrician III	1.00	1.00	1.00	0.00

Public Utilities

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Personnel:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
116-119	Class I-III Water Treat. Plant Op.	19.00	19.00	21.00	2.00
119	Construction Inspector II	2.00	3.00	3.00	0.00
119	Crew Supervisor III	1.00	1.00	1.00	0.00
119	Cross-Connections Inspector	1.00	1.00	1.00	0.00
119	Utility Electronics Technician I	1.00	1.00	2.00	1.00
120	Bacteriologist II	1.00	1.00	1.00	0.00
120	Meter Shop Supervisor	1.00	1.00	1.00	0.00
121	Chemist I	2.00	2.00	2.00	0.00
120	Cross-Connections Inspector II	0.00	0.00	1.00	1.00
120	General Supervisor	13.00	13.00	13.00	0.00
121	Lead Water Treat. Plant Op.	3.00	3.00	3.00	0.00
121	Utility Electronics Tech. II	4.00	4.00	4.00	0.00
123	Accountant I	0.00	1.00	1.00	0.00
123	Chemist II	1.00	1.00	1.00	0.00
123	Engineering Technician III	1.00	1.00	1.00	0.00
123	Safety Inspector II	0.00	1.00	1.00	0.00
124	Water Prod. Maint. Supv.	2.00	2.00	2.00	0.00
124	Water Treat. Plant Chief Op.	1.00	2.00	2.00	0.00
125	Accountant II	1.00	1.00	1.00	0.00
127	Accountant III	1.00	2.00	2.00	0.00
127	Administrative Assistant III	1.00	1.00	1.00	0.00
127	Engineer I	1.00	2.00	2.00	0.00
127	Engineering Technical Supvr. I	1.50	1.00	1.00	0.00
127	GIS Analyst	1.00	1.00	1.00	0.00
128	Customer Service Manager	1.00	1.00	1.00	0.00
128	Wastewater Collection Super.	1.00	1.00	1.00	0.00
128	Wastewater Reliability Super.	1.00	1.00	1.00	0.00
128	Water Distribution Super.	1.00	1.00	1.00	0.00
128	Water Quality Supervisor	1.00	1.00	1.00	0.00
128	Water Service Superintendent	1.00	1.00	1.00	0.00
129	Engineer II	3.00	3.00	3.00	0.00
129	Engineer II (SP EDP) *	1.00	1.00	1.00	0.00
129	Systems Analyst I	1.00	1.00	1.00	0.00
130	Fiscal Administrator	1.00	1.00	1.00	0.00
131	Engineer III	3.00	3.00	3.00	0.00
131	Financial/Cust. Svcs. Admin.	1.00	0.00	0.00	0.00
132	Systems Analyst II	1.00	1.00	1.00	0.00
133	Project Manager	0.00	0.00	1.00	1.00
135	Engineer V	1.00	1.00	1.00	0.00
135	Water Resource Mgmt. Admin.	1.00	1.00	1.00	0.00
135	Water/Wastewater Admin.	1.00	1.00	1.00	0.00
137	Assistant Director	1.00	1.00	1.00	0.00
142	Director of Public Utilities	1.00	1.00	1.00	0.00
Total Department Personnel		212.26	222.51	232.51	10.00

* This position is a "Special Project" (SP) position included and funded in the Capital Improvement Plan (CIP).

Public Utilities

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Operating Revenues		FY 14-15	FY 15-16	FY 16-17	Change from
Fund	Resource	Actual	Budget	Budget	prior year
501	<u>Operations Fund</u>				
	Use of Money and Property	\$ 1,300	\$ -	\$ -	0.0%
	Miscellaneous Revenue	2,250	-	-	0.0%
	Recovered Costs	326	-	-	0.0%
510	<u>Revenue Fund</u>				
	Use of Money and Property	\$ 1,303,319	\$ 1,303,212	\$ 1,512,320	16.0%
	Charges for Services	68,090,895	67,426,800	74,310,700	10.2%
	Miscellaneous Revenue	188,344	50,000	81,500	63.0%
	Recovered Costs	3,906	-	-	0.0%
	Federal Aid	605,166	652,820	599,991	-8.1%
	Total Revenues	\$ 70,195,505	\$ 69,432,832	\$ 76,504,511	10.18%

Use of Resources

Operations	\$ 54,743,356	\$ 64,299,471	\$ 65,731,058	2.2%
Transfers to Capital Projects	9,405,689	3,298,834	8,878,867	169.2%
Contribution to Fund Balance	6,046,461	1,834,527	1,894,586	3.3%
	\$ 70,195,505	\$ 69,432,832	\$ 76,504,511	10.18%

Budget by Fund:		FY 14-15	FY 15-16	FY 16-17	Change from
		Actual	Budget	Budget	prior year
501	Operations Fund	\$ 42,897,771	\$ 52,466,540	\$ 54,715,985	4.3%
509	Revenue Bond	2,683,418	2,691,411	2,684,257	-0.3%
512	Subordinate Debt	9,162,167	9,141,520	8,330,816	-8.9%
	Total by Fund	\$ 54,743,356	\$ 64,299,471	\$ 65,731,058	2.2%

Notes:

Excess revenues will fall to Public Utilities fund balance until needed for capital projects.
 Within the Public Utilities group of funds, there is an appropriation for Capital projects for \$9,295,462 for FY 16-17.

Public Works

112040

Description:

The department of Public Works is organized into of 19 divisions including two enterprise (business-like) funds. The remaining divisions are part of the City's General Fund.

Public Works provide services that are vital to the operations of the City of Chesapeake and include collection and recycling of solid waste; design, review, approval and inspection of development plans for the construction of roads, bridges and major highways; installation, repair, and maintenance of traffic signals, signs, and pavement markings; street cleaning; and storm water management. A complete list of department programs appears below.

Code	Program Title	Program Description
41100	Administration	Provides leadership, policy direction, planning, coordination, and control of all activities and services within Public Works.
41101	Resource Management	Coordinates the department's Operating and Capital Improvement Budgets, provides payroll and accounts payable services, and reinforces safety rules, policies and procedures.
41110	Engineering	Provides design, review, inspection, and approval of development plans for transportation, bridges, stormwater, and VDOT projects. Provides Surveying, Right-of-Way, Environmental, and transportation services.
41200	Street Maintenance	Maintains and repairs the City's right-of-way and maintains readiness of the Public Works Emergency Operations Center.
41210	Bridges & Structures	Operates, maintains, and repairs the City's bridges and related structures.
41310	Drainage	Maintains and improves existing drainage (pipe) systems within the City's right-of-ways.
41400	Traffic Operations	Provides for the safe, efficient, and convenient movement of vehicles and cargo on the City's roadways in accordance with State and Federal requirements through the installation, maintenance, and repair of traffic signals, signs, and pavement markings and operation of the Traffic Management Center.
41700	Contractual Services	Manages the large contracts such as grass mowing, street paving, and repairs for divisions within Public Works and other departments throughout the City.
41800	Operations	Provides routine and emergency repair of streets, highways, bridges, storm drainage, and traffic control devices.
42300	Solid Waste Collection	Provides refuse collection to City residents.
42301	Solid Waste Disposal	Disposes of residential and municipal refuse and recyclables through the Southeastern Public Service Authority (SPSA) and private contractors.
43101	Facilities Management-Maintenance	Ensures all City buildings are safe, functional, and productive working environments.
43102	Facilities Administration & Building Construction	Executes the capital construction program for buildings and parks as approved by the City Council and prepares budget estimates for the annual facilities construction program.

Public Works

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Code	Program Title	Program Description
41600, 41620, and 94450	Expressway Operations; Dominion Blvd. Operations; Renewal & Replacement <i>an Enterprise Fund</i>	Operates and maintains the Chesapeake Transportation System (CTS), including the Chesapeake Expressway toll road, the Dominion Blvd. toll road, and toll collection equipment.
61000, 61001, and 61002	Stormwater (SW)Management Operations include: Operations; Environmental Quality; and Engineering <i>an Enterprise Fund</i>	Provides installation and maintenance of ditches and pipes, repair of cave-ins, inspection and remediation of erosion/sediment to detention/retention basins. The program also provides cleaning of streets constructed with curbs/gutter to catch and remove pollutants. Stormwater Engineering (61002) provides Engineering services, review and/or design of Stormwater improvement projects; updates Stormwater Engineering inventory/mapping and master drainage studies/analysis for city-wide watersheds.

Budget by Program		FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Operating Expenditures:					
41100	Administration	\$ 1,094,344	\$ 1,028,792	\$ 1,062,382	3.3%
41101	Resource Management	751,536	795,868	786,213	-1.2%
41110	Engineering	7,426,983	3,221,642	3,114,552	-3.3%
41200	Street Maintenance	5,423,558	6,265,692	6,128,458	-2.2%
41210	Bridges & Structures	2,421,389	3,142,277	3,077,948	-2.0%
41310	Drainage	2,168,037	3,366,503	2,932,065	-12.9%
41400	Traffic Operations	1,716,274	6,446,264	6,350,334	-1.5%
41600	Chesapeake Expressway	3,383,410	4,556,598	4,591,735	0.8%
41620	CTS - Dominion Blvd.	-	-	4,471,106	N/A
41700	Contractual Services	7,893,393	7,855,732	7,457,260	-5.1%
41800	Operations	876,739	1,003,974	1,021,278	1.7%
42300	Solid Waste Collection	7,634,286	8,609,638	8,659,680	0.6%
42301	Waste Disposal & Recycling	14,735,003	14,960,919	15,349,920	2.6%
43101	Facilities - Maintenance	4,146,057	4,213,184	4,053,425	-3.8%
43102	Facilities - Building Constrn.	326,730	437,404	409,187	-6.5%
61000	Stormwater Operations	7,533,733	12,136,163	8,217,283	-32.3%
61001	SW-Environmental Quality	804,510	1,282,005	1,325,004	3.4%
61002	Stormwater Engineering	753,085	1,149,121	1,096,401	-4.6%
Total Operating Expenditures		\$ 69,089,068	\$ 80,471,776	\$ 80,104,231	-0.5%
Non-Operating Expenditures:					
41600	Debt Service-Chesapeake Expressway	1,744,346	774,250	1,810,750	133.9%
41620	Debt Service- Dominion Blvd.	-	-	8,965,000	N/A
Total By Program		\$ 70,833,415	\$ 81,246,026	\$ 90,879,981	11.9%

Goals:

Public Works

112040

- Advise Management and Council on key issues and trends that sustain more efficient operations.
- Provide quality, courteous, and efficient customer service to our customers.
- Provide a transportation network that minimizes congestion, promotes alternate travel modes, and maximizes operating efficiency.
- Provide timely and cost effective civil engineering services which include consultation, land surveying, and property acquisition.
- Develop cost saving alternatives for operating and capital improvements.
- Procure and administer contracts that will enhance the efficiency of routine and emergency maintenance and operations relative to transportation, stormwater, drainage, bridges, structures, sidewalks, curbs, and gutters.
- Exceed federal and state safety requirements Occupational Safety and Health Administration and Virginia Occupational Safety and Health Administration (OSHA and VOSHA) for the ongoing safety of our citizens and employees.
- Exceed the expected levels of compliance with the City’s Virginia Pollutant Discharge Elimination System (VPDES).
- Provide environmentally sound collection and disposal of municipal solid waste, yard waste and recyclables.
- Maintain and repair city facilities to provide safe and comfortable working environments for City service providers and their customers.

Performance Measures	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Resource Management:				
# citizen requests	22,087	14,000	17,500	25.0%
# of vehicle accidents	55	50	50	0.0%
# of personal injuries	52	35	35	0.0%
# of other claims	8	-	1	N/A
# of vendor payments	14,600	14,000	14,500	3.6%
Engineering:				
# of City projects designed	14	25	20	-20.0%
# of City projects constructed	11	12	12	0.0%
# of requests for street lights	45	40	47	17.5%
# of parcels/easements acquired	58	130	75	-42.3%
# of survey requests completed	60	65	65	0.0%
# of traffic studies completed	397	485	450	-7.2%
# of single hauling permits processed	2,022	2,057	2,042	-0.7%
# of blanket hauling permits processed	376	360	320	-11.1%
# of in-house Stormwater designs	12	20	15	-25.0%
# of traffic inquiries received	1,224	1,250	1,350	8.0%
# of water quality permits received	9	10	9	-10.0%

Public Works

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Performance Measures continued	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Engineering (Continued):				
# of jurisdictional determinations received	4	2	3	50.0%
# Chapter 17 Public Facilities Manual Environmental Site Assessments reviewed	39	50	40	-20.0%
# of National Environmental Policy Act actions completed	49	2	50	2400.0%
# of Chesapeake Bay Preservation Act Enforcement Cases Investigated	2	15	2	-86.7%
# of Chapter 17 Freedom of Information Act requests processed	10	75	15	-80.0%
Street Maintenance:				
# of work orders generated	4,811	6,800	6,800	0.0%
New lane miles added to maintenance	1.40	12	10	-16.7%
Linear feet of sidewalks repaired	3,386	3,000	3,200	6.7%
Linear feet curb/gutter repaired	2,332	3,500	3,500	0.0%
# of potholes repaired	13,463	9,000	10,000	11.1%
Bridges & Structures:				
# of work orders generated	1,082	1,000	1,000	0.0%
# of bridge openings	11,661	17,500	10,500	-40.0%
Bridges/overpasses maintained	99	96	99	3.1%
% of bridges/overpasses inspected as scheduled	100%	100%	100%	0.0%
# of vessels passed	22,720	36,000	25,000	-30.6%
Drainage:				
# of work orders generated	3,575	1,500	1,900	26.7%
# of catch basins cleaned & repaired	66	1,000	250	-75.0%
Linear feet of ditch cleared by crew	38,208	38,000	40,000	5.3%
Linear feet of pipes rehabilitated	3,000	50,000	45,000	-10.0%
Linear feet of ditches re-graded	29,966	38,000	35,000	-7.9%
Cave-in requests received	591	525	600	14.3%
Cave-ins repaired	585	520	600	15.4%
Traffic Operations:				
# of work orders generated	3,693	5,700	5,800	1.8%
Signs repaired, replaced or installed	6,955	4,500	5,000	11.1%
Lanes miles painted	169	150	180	20.0%

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Performance Measures continued	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Chesapeake Transportation System:				
Manual toll transactions (Expressway)	1,140,769	1,109,467	1,068,620	-3.7%
Non-discounted electronic toll transactions	1,211,763	1,285,915	4,466,216	247.3%
Discount transactions (Expressway)	1,486,507	1,596,921	1,644,030	2.9%
Pay-by-Plate (Dominion Blvd.)			1,022,930	0.0%
Contractual Services:				
# of work orders generated	556	320	400	25.0%
Lane miles of roadway resurfaced	38	50	50	0.0%
Shoulder miles mowed	6,885	6,879	6,879	0.0%
Acres of medians/open areas mowed	2,438	2,378	2,378	0.0%
Ditch miles of backslopes mowed	930	930	930	0.0%
Cave-ins repaired	146	140	140	0.0%
Trees removed	22	15	20	33.3%
Linear feet of ditch cleaning (snag & drag)	18,500	15,000	15,000	0.0%
Solid Waste Collection:				
Tons of refuse collected (Garbage)	92,072	96,000	98,902	3.0%
Operating & Maintenance costs/ton	\$85.27	\$89.26	\$85.98	-3.7%
Solid Waste Disposal:				
Yard waste tonnage	4,993	5,000	5,000	0.0%
Disposal cost per ton	\$125.00	\$125.00	\$125.00	0.0%
Recycling/yard waste tonnage	16,661	17,326	17,165	-0.9%
Facilities Management Maintenance:				
Total square feet of buildings maintained	1,647,000	1,663,073	1,647,000	-1.0%
Maintenance backlog	\$10,500,000	\$4,200,000	\$10,770,000	156.4%
Facilities Management Administration & Building Construction:				
Planning studies underway	3	2	2	0.0%
Designs underway	4	8	3	-62.5%
Minor Construction (\$10K-\$50K) underway	4	7	5	-28.6%
Major Construction (> \$50,000) underway	5	8	6	-25.0%
Stormwater Management Operations:				
# of stormwater service requests	1,789	800	1,100	37.5%
Linear feet of pipes washed	23,748	100,000	75,000	-25.0%
Detention/retention basins inspected	650	600	600	0.0%
# of erosion/sediment control inspections	7,643	4,100	7,000	70.7%
Curb miles swept	1,168	5,030	5,000	-0.6%

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Budget Highlights:

- Salaries and wages increased for FY 16-17, which includes additional costs for new positions and reclassifications.
- For FY 16-17, employee benefits decreased overall by 11% due to reduced costs for Other Post-Employment Benefits (OPEB) and the required contribution to the Virginia Retirement System. However, health insurance rates are expected to increase.
- Public Works continues to review and reclassify the department's personnel to best meet service demands, while limiting the need for new positions.
- During FY 15-16, the department increased the special project positions funded by the Capital Improvement Plan. The department added two part-time special project positions (one PT Assistant Right-of-Way Agent 0.63 FTE and one PT Engineer II 0.63 FTE), and eliminated one part-time special project position (one PT Project Manager 0.50 FTE).
- For FY 16-17, the department will add two new full-time positions and reclassify twelve positions. The new positions included one FT Traffic Signal Technician II for the Traffic Operations division, and one FT Office Assistant II for the Stormwater Environmental Quality division. The position reclassifications included converting:
 - two substitute Bridge Operator positions (0.60 FTE and 0.63 FTE) into one full-time Bridge Operator position 1.00 FTE for the Bridges and Structures division. (Approved in FY 15-16).
 - one full-time Environmental Specialist II position into a full-time Environmental Specialist III for the Engineering division. (Approved in FY 15-16).
 - two full-time Account Technician I positions and one full-time Account Technician II position into three full-time Payroll/HR Technician I positions for the Solid Waste Collection and Street Maintenance divisions.
 - one full-time Assistant Streets Administrator into a full-time Operations Superintendent for the Streets and Bridges division. (Approved in FY 15-16).
 - one full-time Streets & Bridges Administrator into a full-time Operations Administrator for the Streets and Bridges division. (Approved in FY 15-16).
 - one full-time Administrative Assistant III position into a full-time Accountant I for the Stormwater Operations division. (Approved in FY 15-16).
 - one full-time Public Works Information Specialist position into a full-time Public Works Information Coordinator for the Stormwater Operations division. (Approved in FY 15-16).
 - one full-time Stormwater Administrator position into a full-time Engineer III for the Stormwater Operations division. (Approved in FY 15-16).
- Additionally, the Chesapeake Expressway division requests to transfer one position to the new CTS - Dominion Blvd division for FY 16-17 in preparation for the opening of Dominion Blvd.
- The Administration division absorbs a large portion of the City's allocated Information Technology internal service charges for the department's general fund programs. These charges increased for FY 16-17.

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Budget Highlights Continued:

- For FY 16-17, the department anticipates increased costs for maintenance contracts, utilities, telecom and postage. However, the department expects decreased costs for equipment rentals, temporary labor services, and supplies and materials.
- The increase in internal service fund charges is mainly due to a change in category for the Sheriff's mowing program. The City utilizes inmates via a workforce program and charges the costs associated with transportation, equipment, and Deputy supervision to the Public Works department. Beginning in FY 2016-17 these charges will be accounted for in an internal service expense account as opposed to contracted services.
- Purchased and contract services will decrease overall for FY 16-17 due to decreased costs expected for professional and contractual services other than those mentioned above, and for repairs. However, increased costs are expected for waste management and green waste recycling.
- The department decreased its planned capital outlay costs by \$3.6 million for FY 16-17. Most of the decrease is due the Stormwater divisions planning for capital outlays in the FY 2017-21 CIP Budget instead of the Operating Budget. For the general fund divisions, capital outlays were decreased in order to offset anticipated state funding reductions.
- The Administration division budget for FY 16-17 increases for personnel, internal service charges, telecomm, and other expenses (conference registrations and subscriptions). However, decreased costs are expected for employee benefits, purchased services (contractual services), and supplies and materials.
- For FY 16-17, the Resource Management division budget decreases by \$9,600 due to reduced costs anticipated for personnel, employee benefits, purchased services (professional services, temporary labor and repairs), internal services charges, telecomm, and other expenses. However, increased costs are expected for supplies and materials.
- The Engineering division budget decreases by \$107,000 for FY 16-17 due to reduced costs expected for employee benefits, purchased services (contractual services, repairs and maintenance contracts), internal service charges, telecomm, and supplies and materials. However, increased costs are expected for personnel and overtime for FY 16-17.
- The Street Maintenance division budget for FY 16-17 decreases overall by \$137,000 due to reduced costs anticipated for overtime, benefits, purchased services (professional services, contractual services, temporary labor services and repairs), other expenses and supplies and materials. However, increased costs are expected for personnel, internal service charges and capital outlays (equipment and improvements).
- The Bridges and Structures division budget decreases by \$64,000 for FY 16-17 due to reduced costs expected for employee benefits, purchased services (professional services, contractual services, repairs and maintenance contracts), and internal service charges. However, increased costs are expected for personnel, overtime, and supplies.

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Budget Highlights Continued:

- The Drainage division budget for FY 16-17 decreases by \$434,000 due to reduced costs primarily for capital outlays (equipment and improvements) as well as employee benefits and internal services charges. However, increased costs are expected for personnel.
- The Traffic Operations division budget for FY 16-17 decreases by almost \$96,000 due to reduced costs expected for employee benefits, purchased services (waste management), materials and supplies, and capital outlays (equipment and improvement). However, increased costs are expected for personnel and internal service charges.
- The Contractual Services division budget for FY 16-17 decreases by \$398,000 due to reduced costs expected for personnel, employee benefits, and purchased services (contractual services and repairs). Increased costs are expected for internal services.
- The Operations division budget for FY 16-17 increases overall by \$17,000 due to increased costs anticipated for personnel and supplies and materials. However, decreased costs are expected for employee benefits and purchased services (professional services).
- The Solid Waste Collection division budget for FY 16-17 increases by \$50,000 due to increased costs anticipated for purchased services (professional services), internal service charges (central fleet and self insurance), and supplies and materials.
- The Waste Disposal & Recycling division budget for FY 16-17 increases by \$390,000 due to increased costs expected for purchased services (contractual services) for an anticipated increase in household waste volume and the increased rate to process recycling.
- The Facilities Management - Building Maintenance division budget for FY 16-17 decreases by \$160,000 due to reduced costs expected for benefits, internal service charges and capital outlays (equipment and improvements). However, increased costs are expected for personnel and purchased services (repairs and maintenance contracts).
- The Facilities Management - Building Construction division budget for FY 16-17 decreases by \$28,000 due to reduced costs expected for personnel, benefits, training and travel.
- The Chesapeake Transportation System (CTS) is an enterprise fund consisting of the Chesapeake Expressway and soon the improved Dominion Blvd. For FY 16-17, a new division budget was established within this fund for the anticipated operating costs for Dominion Blvd (includes funding for personnel, contractual services, and debt service). The Expressway (CTS) division budget for FY 16-17 decreases because some costs were assigned to Dominion Blvd. Debt service for bond interest payments increased for both divisions.

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Budget Highlights Continued:

- The Stormwater Operations division budget decreases by \$3.9 million for FY 16-17 primarily because expected capital outlay needs were budgeted through the FY 2017-21 Capital Improvement Plan (CIP) Budget instead of the Operating Budget. The operating budget for capital outlays decreased from \$2.5 million for FY 15-16 to \$10,000 for FY 16-17. Reduced costs are also expected for personnel, overtime (-\$100,000) due to reduced hours, employee benefits (-\$148,000) due to reduced costs for Other Post-Employment Benefits and the required contribution to the Virginia Retirement System, purchased services (-\$1.0 million) due to reduced contractual services, and internal service charges (-\$90,000) due to reduced costs for central fleet and self-insurance.
- The Stormwater Environmental Quality division budget increases by \$43,000 for FY 16-17 due to increased costs anticipated for personnel, purchased services (contractual services for unit maintenance), training, supplies and materials. However, decreased costs are expected for employee benefits and capital outlays.
- The Stormwater Engineering division budget decreases overall by \$53,000 for FY 16-17 due to increased costs anticipated for personnel, overtime and capital outlays (equipment). However, decreased costs are expected for employee benefits, purchased services (temporary labor), equipment leases, training related travel, supplies and materials.

Emerging Issues:

- Chesapeake Transportation System (CTS) Annual Renewal and Replacement: The bond indenture for the financing of the Chesapeake Transportation System requires the toll facilities to be inspected annually by a consulting engineer who reports recommendations for work to be performed to maintain the quality of the facility. The estimated cost of the work is \$2.4 million for FY 16-17, \$3.2 million FY 17-18 and \$1.6 million for FY 18-19.
- The improved Dominion Blvd is anticipated to open during FY 16-17. Once the Dominion Blvd improvement project has completed, additional operating costs and non-operating costs (debt service) will occur. However, new revenues are also expected.
- Toll Operations: The City is entering into a 3 year agreement with competitively selected vendor to provide a turn-key invoice transaction processing solution for the operation and maintenance of toll back office operations of Dominion Blvd. The estimated cost is \$3.8 million for FY 16-17, \$4.4 million FY 17-18 and \$4.3 million for FY 18-19.
- Toll Maintenance: Public Works anticipates entering into an agreement with the Toll System Contractor to provide maintenance services on an "On-Call" basis after the 1 year warranty period expires. For FY 17-18, the maintenance contract is estimated to be \$10,000 per month for the maintenance provider to provide 24-hour monitoring/response.

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Emerging Issues continued:

- Maintenance of New Security Systems: New security systems have been installed in facilities and parks, increasing the number of video cameras, network video recorders, card access locks and controllers, alarm panels, and alarm sensors in City facilities. These are all network/ computer-based systems that require maintenance and specialized skill to troubleshoot, repair and program. Warranties on the systems expire in 2016 and 2017, requiring the City to add maintenance contracts. The additional cost is estimated to be \$100,000 annually.
- The Virginia Department of Environmental Quality (VDEQ) is preparing to reissue the City's discharge permit for the Municipal Separate Storm Sewer System (MS4). The reissued permit will include more requirements than the current MS4 permit due to increased EPA regulation. The reissued permit will require the development of detailed Stormwater Pollution Prevention Plans for municipal properties, increased environmental training for City staff and targeted public education, development of detailed Total Maximum Daily Load Action Plans for impaired water bodies, water quality monitoring, implementation of new Virginia Stormwater Management Program regulation, enhanced stormwater inspections of land disturbing activities and enhanced City oversight of industrial properties including development of an industrial outfall inspection program. Additional resources will be needed for FY 16-17 to meet the new requirements.

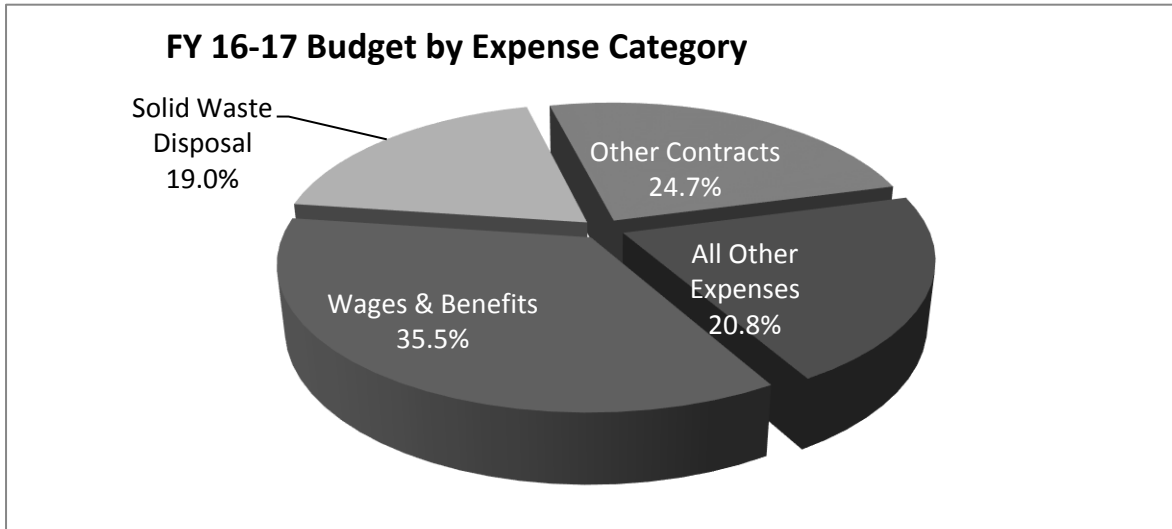
Requirements:	FY 14-15	FY 15-16	FY 16-17	Change from
	Actual	Budget	Budget	prior year
Operating Expenditures:				
Salaries and wages	\$ 16,549,810	\$ 19,230,840	\$ 19,559,116	1.7%
Employee benefits	8,567,827	9,956,427	8,872,991	-10.9%
Purchasing and Contract Services				
Waste Management	12,334,914	12,149,793	12,477,750	2.7%
Green Waste Recycling	2,271,023	2,678,789	2,705,040	1.0%
Contracted Professional Services	6,166,513	8,069,560	7,096,204	-12.1%
Repairs	6,898,801	7,020,068	6,618,400	-5.7%
Maintenance Contracts *	1,240,069	1,083,494	4,992,494	360.8%
Temporary labor services	551,822	684,270	569,375	-16.8%
Equipment rental and other	526,749	617,051	543,344	-11.9%
Internal service charges	7,281,080	7,698,346	8,938,115	16.1%
Utilities, telecomm, and postage	4,166,876	4,530,763	4,544,890	0.3%
Supplies & materials	1,161,743	1,035,375	1,031,012	-0.4%
Capital outlay	1,371,841	5,717,000	2,155,500	-62.3%
Total Operating Expenditures	\$ 69,089,068	\$ 80,471,776	\$ 80,104,231	-0.5%
Non-Operating Expenditures:				
Principal and interest	1,744,346	774,250	10,775,750	1291.8%
	\$ 70,833,415	\$ 81,246,026	\$ 90,879,981	11.9%

Purchased services includes street paving, grass mowing, and solid waste disposal contracts.

* Maintenance Contracts includes invoice transaction processing for the Dominion Blvd. toll beginning in FY2017.

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Personnel:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
103	Laborer	28.00	32.00	32.00	0.00
104	Housekeeper	0.50	0.50	0.50	0.00
104	Toll Collector	22.88	21.90	21.90	0.00
105	Bridge Operator (incl substitutes)	20.28	15.65	15.43	-0.23
105	Office Assistant I	2.13	2.13	2.13	0.00
105	Security Officer I	1.38	1.38	1.38	0.00
106	Custodian/Groundskeeper	1.00	0.00	0.00	0.00
106	Laborer/Operator	22.00	22.00	22.00	0.00
107	Office Assistant II	0.00	0.00	1.00	1.00
107	Waste Management Worker I	10.00	10.00	10.00	0.00
108	Motor Equipment Operator I	5.00	5.00	5.00	0.00
108	Sign Fabricator I	1.00	1.00	1.00	0.00
109	Customer Service Clerk I	1.80	1.80	1.80	0.00
109	Office Specialist I	3.00	3.00	3.00	0.00
109	Survey Party Aide	1.00	1.00	1.00	0.00
110	Bridge Maintenance Mechanic I	2.00	4.00	4.00	0.00
110	Toll Collection Assistant Supv.	3.00	3.63	3.63	0.00
111	Motor Equipment Operator II	32.00	34.00	34.00	0.00
111	Sign Fabricator II	1.00	1.00	1.00	0.00
111	Storekeeper II	1.00	1.00	1.00	0.00
111	Waste Management Operator I	12.00	12.00	12.00	0.00
112	Bridge Maint. Mechanic II	5.00	6.00	6.00	0.00
112	Customer Service Clerk II	1.00	1.00	1.00	0.00
112	Facilities Maintenance Tech. I	7.00	8.00	8.00	0.00
112	Waste Management Operator II	39.00	38.00	38.00	0.00
113	Account Technician I	4.00	4.00	2.00	-2.00
113	Drafting Technician I	1.00	1.00	1.00	0.00
113	Motor Equipment Operator III	25.00	25.00	25.00	0.00

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Personnel Continued:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
113	Office Specialist II	1.00	1.00	1.00	0.00
113	Traffic Signal Technician I	3.00	3.00	3.00	0.00
114	Account Technician II	8.00	7.00	6.00	-1.00
114	Crew Leader	18.50	18.50	18.50	0.00
114	Electrician II	1.00	1.00	1.00	0.00
114	Survey Party Technician	3.00	3.00	3.00	0.00
114	Toll Collection Supervisor	4.00	4.00	4.00	0.00
115	Facilities Maintenance Tech. II	6.00	6.00	6.00	0.00
115	Office Coordinator	2.00	1.00	1.00	0.00
115	Payroll/HR Technician I	0.00	0.00	3.00	3.00
115	Waste Management Inspector	2.00	2.00	2.00	0.00
116	Account Technician III	4.00	5.00	5.00	0.00
116	Customer Support Tech. I	2.00	2.00	2.00	0.00
116	Motor Equipment Operator IV	1.00	1.00	1.00	0.00
116	Motorized Equipment Specialist	1.00	1.00	1.00	0.00
117	Account Supervisor	1.00	0.00	0.00	0.00
117	Payroll/HR Technician II	0.00	1.00	1.00	0.00
117	Construction Inspector I	1.00	1.00	1.00	0.00
117	Crew Supervisor I	9.00	9.00	9.00	0.00
117	Engineering Technician I	2.00	2.00	2.00	0.00
117	Facilities Maintenance Tech. III	2.00	2.00	2.00	0.00
117	Mechanic II	1.00	0.00	0.00	0.00
117	Safety Inspector I	2.00	3.00	3.00	0.00
117	Storekeeper Supervisor	1.00	1.00	1.00	0.00
117	Survey Party Supervisor	2.00	2.00	2.00	0.00
117	Traffic Signal Technician II	2.00	2.00	3.00	1.00
118	Crew Supervisor II	6.00	6.00	6.00	0.00
118	Electrician III	1.00	1.00	1.00	0.00
118	Procurement Specialist I	1.00	1.00	1.00	0.00
118	Welder	1.00	2.00	2.00	0.00
119	Administrative Assistant I	3.00	4.00	4.00	0.00
119	Construction Inspector II	12.00	14.00	14.00	0.00
119	Engineering CADD Tech. II	3.00	3.00	3.00	0.00
119	Engineering Technician II	4.00	4.00	4.00	0.00
121	Assistant Right-of-Way Agent	3.00	3.00	3.00	0.00
121	Business Application Specialist I	0.00	1.00	1.00	0.00
121	Chief Survey Party Supervisor	1.00	1.00	1.00	0.00
121	Construction Inspector III	3.00	6.00	6.00	0.00
121	Customer Support Technician II	1.00	0.00	0.00	0.00
121	General Supervisor	11.00	11.00	11.00	0.00
121	Utility Electronics Technician II	1.00	1.00	1.00	0.00
122	Public Works Info. Spec.	1.00	1.00	0.00	-1.00
123	Accountant I	1.00	0.00	1.00	1.00
123	Electronic/Comm. Supv.	1.00	1.00	1.00	0.00
123	Engineering CADD Technician III	1.00	1.00	1.00	0.00

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Personnel Continued:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
123	Engineering Technician III	6.00	6.00	6.00	0.00
123	Facilities Supervisor	1.00	1.00	1.00	0.00
123	GIS Specialist	1.00	1.00	1.00	0.00
123	Safety Inspector II	1.00	1.00	1.00	0.00
125	Accountant II	1.00	1.00	1.00	0.00
125	Construction Inspector Supv.	4.00	4.00	4.00	0.00
125	Engineering Technician IV	3.00	4.00	4.00	0.00
126	Public Works Info. Coordinator	0.00	0.00	1.00	1.00
127	Accounting Administrator	1.00	1.00	1.00	0.00
127	Administrative Assistant III	2.00	2.00	1.00	-1.00
127	Engineering Specialist I	3.00	3.00	3.00	0.00
127	Engineering Technical Supv. I	1.00	1.00	1.00	0.00
127	Engineer I	4.00	2.00	2.00	0.00
127	Environmental Specialist I	2.00	2.00	2.00	0.00
127	Traffic Operations Supt.	1.00	1.00	1.00	0.00
127	Waste Mgmt. Operations Supt.	1.00	1.00	1.00	0.00
128	Assistant Streets Administrator	1.00	1.00	0.00	-1.00
128	Customer Service Manager	1.00	2.00	2.00	0.00
128	Environmental Coordinator	1.00	1.00	1.00	0.00
128	Stormwater Superintendent	1.00	1.00	1.00	0.00
129	Engineer II	6.00	7.00	7.00	0.00
129	Environmental Specialist II	1.00	1.00	0.00	-1.00
129	Facility Maintenance Supt.	1.00	1.00	1.00	0.00
129	Right-of-Way Agent	1.00	1.00	1.00	0.00
130	City Surveyor	1.00	1.00	1.00	0.00
130	Fiscal Administrator	2.00	2.00	2.00	0.00
130	GIS Senior Analyst	1.00	1.00	1.00	0.00
130	Operations Superintendent	0.00	0.00	1.00	1.00
130	Toll Operations Manager	1.00	1.00	1.00	0.00
131	Engineer III	5.00	5.00	6.00	1.00
131	Environmental Specialist III	0.00	0.00	1.00	1.00
133	Project Manager	6.00	6.00	6.00	0.00
133	Waste Management Admin.	1.00	1.00	1.00	0.00
134	Engineer IV	1.00	1.00	1.00	0.00

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Personnel Continued:		FY 14-15	FY 15-16	FY 16-17	Change from
Grade	Positions	Actual	Budget	Budget	prior year
135	Construction Facilities Mgr.	1.00	1.00	1.00	0.00
135	Engineer V	1.00	1.00	1.00	0.00
135	Expressway Administrator	1.00	1.00	1.00	0.00
135	Municipal Facilities Admin.	1.00	1.00	1.00	0.00
135	Operations Administrator	0.00	0.00	1.00	1.00
135	Streets & Bridges Administrator	1.00	1.00	0.00	-1.00
135	Stormwater Administrator	1.00	1.00	0.00	-1.00
137	Operations Manager PW	1.00	1.00	1.00	0.00
138	Asst. Director PW/City Engineer	1.00	1.00	1.00	0.00
142	Director of Public Works	1.00	1.00	1.00	0.00
999	Summer Intern (Mgmt. Analyst)*	0.00	0.00	0.00	0.00
Department Personnel		459.47	468.48	470.25	1.78

*The summer intern position is funded through general expenses for temporary labor. There is no FTE.

The following positions are "Special Project" (SP) positions included and funded in the Capital Improvement Plan (CIP). They were added in the FY14-18 CIP.

Grade	Positions	FY 14-15	FY 15-16	FY 16-17	Change from
		Actual	Budget	Budget	prior year
113	Office Spec. II - (SP/Dom. Blvd.)	1.00	1.00	1.00	0.00
117	Eng. Tech. I - (SP/Dom. Blvd.)	1.00	1.00	1.00	0.00
121	Assistant Right-of-Way Agent	0.00	0.00	0.63	0.63
129	Engineer II - (SP/Stormwater)	0.00	0.00	0.63	0.63
131	Engineer III - (SP/Dom. Blvd.)	0.63	0.63	0.63	0.00
133	Project Mgr. - (SP/Dom. Blvd.)	1.00	1.50	1.00	-0.50
135	Engineer V - (SP/Dom. Blvd.)	1.00	1.00	1.00	0.00
Special Project Personnel		4.63	5.13	5.89	0.76
Total Department Personnel		464.10	473.61	476.14	2.54

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Operating Revenues		FY 14-15	FY 15-16	FY 16-17	Change from
Fund	Resource	Actual	Budget	Budget	prior year
100	<u>General Fund</u>				
	Fines and Forfeitures	\$ 322,216	\$ 438,900	\$ 351,400	-19.9%
	Use of Money and Property	43,234	38,000	39,820	4.8%
	Charges for Services	321,222	319,300	299,850	-6.1%
	Miscellaneous Revenue	33,910	29,200	35,000	19.9%
	Recovered Costs	325,427	100,200	100,200	0.0%
	State Other Categorical Aid	32,066,139	33,284,580	33,371,570	0.3%
	Total Revenues	\$ 33,112,149	\$ 34,210,180	\$ 34,197,840	0.0%
	General Fund Support	23,502,181	27,137,709	26,204,861	-3.4%
	Total Resources	\$ 56,614,330	\$ 61,347,889	\$ 60,402,701	-1.54%
	Use of Resources				
	Operations	\$ 56,614,330	\$ 61,347,889	\$ 60,402,701	-1.5%
	Transfer to General Fund	(15,507)	-	-	N/A
		\$ 56,598,823	\$ 61,347,889	\$ 60,402,701	-1.54%
520	<u>Stormwater Operations</u>				
	Permits, Privilege & License Fees	\$ 303,534	\$ 100,000	\$ 216,100	116.1%
	Use of Money and Property	194,689	0	100,000	100.0%
	Charges for Services	15,313,172	15,530,700	15,779,900	1.6%
	Recovered Costs	28,136	0	0	0.0%
	Total Revenues	\$ 15,839,531	\$ 15,630,700	\$ 16,096,000	3.0%
	Use of Fund balance	0	4,002,589	2,700,688	-32.53%
	Total Resources	\$ 15,839,531	\$ 19,633,289	\$ 18,796,688	-4.26%
	Use of Resources				
	Operations	\$ 9,091,328	\$ 14,567,289	\$ 10,638,688	-27.0%
	Transfers to Capital Projects	5,436,165	5,066,000	8,158,000	61.0%
	Transfer to General Fund	15,507	-	-	N/A
	Contribution to Fund Balance	1,296,531	-	-	N/A
		\$ 15,839,531	\$ 19,633,289	\$ 18,796,688	-4.26%

Public Works

112040

Operating Revenues		FY 14-15	FY 15-16	FY 16-17	Change from
Fund	Resource	Actual	Budget	Budget	prior year
525	Chesapeake Transportation System				
	Use of Money and Property	\$ 13,316	\$ 10,000	\$ -	-100.0%
	Charges for Services	11,051,934	11,614,924	19,252,600	65.8%
	Recovered Costs	49,479	10,000	36,400	264.0%
	Total Revenues	\$ 11,114,729	\$ 11,634,924	\$ 19,289,000	65.8%
	Use of Fund balance	-	-	1,432,591	100.00%
	Total Resources	\$ 11,114,729	\$ 11,634,924	\$ 20,721,591	78.10%
	Use of Resources				
	Operations	\$ 5,127,756	\$ 5,330,848	\$ 19,838,591	272.1%
	Transfers to Capital Projects	537,258	-	883,000	N/A
	Contribution to Fund Balance	5,449,715	6,304,076	-	-100.0%
		\$ 11,114,729	\$ 11,634,924	\$ 20,721,591	78.10%

Budget by Fund:		FY 14-15	FY 15-16	FY 16-17	Change from
		Actual	Budget	Budget	prior year
100	General Fund	\$ 56,614,330	\$ 61,347,889	\$ 60,402,701	-1.5%
520	Stormwater Operations	9,091,328	14,567,289	10,638,688	-27.0%
525	Transportation System	5,127,756	5,330,848	19,065,936	257.7%
526	Transportation Renewal & Replacement	-	-	772,655	N/A
Total by Fund		\$ 70,833,415	\$ 81,246,026	\$ 90,879,981	11.9%

Notes:

The Stormwater Operations fund and Chesapeake Transportation System are Enterprise Funds. Revenues are restricted for specific use within each of these funds. Please see the Approved Capital Improvement Plan Fiscal Year 2017-2021 for a complete list of planned projects. The Stormwater Operations fund will fund \$8.2 million for capital improvements, and the Chesapeake Transportation System will fund \$883,000 for capital improvements.

Tax Increment Financing Districts

113010

Description:

The Tax Increment Financing District is a financing entity established to provide for public infrastructure improvements within a specific area of the City in an effort to revitalize economic activity. Revenue is specified as real estate tax revenue from new construction and increases in assessment values within the boundaries established for each district. Tax revenue derived from the existing assessment base at the time the TIF was established is maintained in the City's General Fund. All increases in the base become eligible for use within the established boundary of the district, unless a surplus is declared. Revenue is used for ongoing debt payments issued under the financing authority of the TIF and for capital improvement projects.

Code	Program Title	Program Description
81102	Greenbrier Tax Increment Financing Fund	Established on January 1, 2005, to provide funding for public infrastructure projects within the district's boundaries.
81103	South Norfolk Tax Increment Financing Fund	Established on March 22, 2005, to provide funding for public infrastructure projects within the district's boundaries.

Budget by Program		FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
81102	Greenbrier Tax Increment Financing Fund (TIF)	\$ 411	\$ 12,000	\$ 6,000	-50.0%
81103	South Norfolk Tax Increment Financing Fund (TIF)	3,350	75,000	50,000	-33.3%
Total By Program		\$ 3,761	\$ 87,000	\$ 56,000	-35.6%

Goals

- Work with Planning Department to implement the strategies of the Development Master Plans for South Norfolk, Great Bridge, Greenbrier, Deep Creek, and Western Branch.
- Attract continued and increased private investment within the TIF Districts.
- Implement the initiatives and continuum of improvements within the directives set forth in the City ordinance establishing the TIF Districts.

Tax Increment Financing Districts

113010

Budget Highlights:

- Beginning in FY 14-15 the expenses for the TIF district maintenance program were shifted directly to Public Works, Police, and the Sheriff departments. This includes \$109,000 for police interdiction at hotels, \$55,000 for the Sheriff's Inmate mowing program, and lighting and landscape maintenance for each district. The remaining expenses are budgeted for studies, research, and initial planning of possible projects.

Requirements:	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
Purchased services	\$ 3,761	\$ 87,000	\$ 56,000	-35.6%
Total Expenses/Requirements	\$ 3,761	\$ 87,000	\$ 56,000	-35.6%

Personnel: Grade	Positions	FY 14-15 Budget	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
	No positions				

Operating Revenues	FY 14-15 Actual	FY 15-16 Budget	FY 16-17 Budget	Change from prior year
209 Greenbrier TIF				
General Property Taxes	\$ 5,274,315	\$ 5,491,600	\$ 6,172,600	0.0%
Use of Money and Property	43,051	-	-	0.0%
Total Revenues	\$ 5,317,365	\$ 5,491,600	\$ 6,172,600	0.0%
Use of Fund balance	2,086,391	-	-	0.00%
Total Resources	\$ 7,403,756	\$ 5,491,600	\$ 6,172,600	12.40%
Use of Resources				
Operations	\$ 411	\$ 12,000	\$ 6,000	-50.0%
Transfers to the Debt Fund	1,469,578	1,471,089	1,471,738	0.0%
Transfers to Capital Projects	5,236,618	-	-	N/A
Transfer to General Fund	697,150	2,306,560	2,416,260	4.8%
Contribution to Fund Balance	-	1,701,951	2,278,602	33.9%
	\$ 7,403,756	\$ 5,491,600	\$ 6,172,600	12.40%

Tax Increment Financing Districts

113010

Operating Revenues		FY 14-15	FY 15-16	FY 16-17	Change from
Fund	Resource	Actual	Budget	Budget	prior year
212	South Norfolk TIF				
	General Property Taxes	\$ 3,794,570	\$ 3,957,700	\$ 4,323,000	0.0%
	Use of Money and Property	19,197	0	0	0.0%
	Total Revenues	\$ 3,813,767	\$ 3,957,700	\$ 4,323,000	0.0%
	Use of Fund balance	2,674	-	-	0.00%
	Total Resources	\$ 3,816,441	\$ 3,957,700	\$ 4,323,000	9.23%
	Use of Resources				
	Operations	\$ 3,350	\$ 75,000	\$ 50,000	-33.3%
	Transfers to the Debt Fund	608,977	604,215	600,023	-0.7%
	Transfers to Capital Projects	1,934,300	-	2,316,247	N/A
	Transfer to General Fund	1,269,814	1,152,135	1,181,500	2.5%
	Contribution to Fund Balance	-	2,126,350	175,230	-91.8%
		\$ 3,816,441	\$ 3,957,700	\$ 4,323,000	9.23%

	FY 14-15	FY 15-16	FY 16-17	Change from
Budget by Fund:	Actual	Budget	Budget	prior year
209 Greenbrier TIF	\$ 411	\$ 12,000	\$ 6,000	-50.0%
212 South Norfolk TIF	3,350	75,000	50,000	-33.3%
Total by Fund	\$ 3,761	\$ 87,000	\$ 56,000	-35.6%

Notes:

Tax Increment Financing Districts (TIF) were established in the Greenbrier and South Norfolk sections of the City. In accordance with state statute, funds are used to support improvements in the TIFs and to service debt used to finance improvements. The statute permits the transfer of surplus TIF funds to the City's General Fund. These funds are used to maintain completed infrastructure improvements.

Tax Increment Financing Districts

113010

	FY 14-15	FY 15-16	FY 16-17
	Actual	Budget	Budget
Transfers to Capital Projects Funds	\$ 7,170,918	\$ -	\$ 2,316,247
Transfers to the Debt Fund	2,078,555	2,075,304	2,071,761
Declaration of TIF Surplus			
Greenbrier			
Hotel Interdiction	109,000	109,000	109,000
Street lights & landscaping	184,660	184,660	184,660
Interest reallocation	43,051	0	0
City Reserve Policy	0	12,900	122,600
City & School Operations	360,439	2,000,000	2,000,000
South Norfolk			
Street lights & landscaping	115,700	115,700	115,700
Interest reallocation	19,197	0	0
City Reserve Policy	0	36,435	65,800
Oscar Smith Middle School			
debt service	1,000,000	1,000,000	1,000,000
City & School Operations	134,917	0	0
Total Transfers	\$ 11,216,437	\$ 5,533,999	\$ 7,985,768

The balance of revenue received by each TIF remains in the respective fund balance until needed for Capital Improvement projects. A list of Capital Improvement projects can be found in section J - Capital Improvement Plan of this document. More detail can be found in the separate Capital Improvement Plan FY 2017-21.

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