

The City of Chesapeake was founded in 1963 by merger of Norfolk County (1636) and the City of South Norfolk (1921). Chesapeake is one of the cities comprising the Norfolk-Virginia Beach-Newport News Metropolitan Area. This area lies in southeastern Virginia at the southern end of the Chesapeake Bay where the mouth of the Bay enters the Atlantic Ocean. Chesapeake is bordered on the west by Suffolk, east by Virginia Beach, south by the North Carolina border and north by the cities of Portsmouth and Norfolk.

With a land area of 353 square miles, Chesapeake is the thirteenth (13<sup>th</sup>) largest city in land area in the United States and second largest in Virginia. Its central location, availability of land, and good transportation system will continue to contribute to Chesapeake's attractiveness as a well-balanced commercial center. The City's close port proximity and strong employee pool continue to encourage a strong international business presence. Major industries include professional business services and technology, healthcare, maritime logistics and transportation, defense technologies, manufacturing and construction, leisure and hospitality, knowledge services, and retail development. Major agricultural crops include corn, wheat, soybeans, nursery products and timber. The Chesapeake Planning Department estimates the City's population reached 228,417 as of January 2014 distributed over 80,343 households. The civilian labor force in the city was 117,969 in 2014.

The City is governed by a City Council / City Manager form of government with nine elected Council members serving four year terms. Chesapeake is an independent city with no overarching county government. This requires that the City provide many of the services to citizens which would normally be provided by a county.

The City's Comprehensive Plan (updated effective March 2005) based on Council-adopted basic policies, provides guidelines for maintaining orderly growth consistent with community goals. The Comprehensive Plan further addresses development potential in the City and recognizes established values of Chesapeake's citizens. The Plan, though general in nature, assesses the City's assets such as parks, waterways, historical areas, as well as areas which will require extensions or renewal, such as potable water and sanitary sewer services, transportation systems, urban renewal areas, etc.

Council's responsiveness to development demands, as well as its commitment to orderly growth, has enhanced those quality of life values Chesapeake's citizens have embraced. The future for Chesapeake remains full of promise and opportunity.

**DEMOGRAPHICS**

- Median Age 36.7
- Racial Composition: White 63.0%, Black 30.7%, all other 6.3%

**INCOME**

- Median Household \$65,562 (2013 Est.)

**TAXES** (July 1, 2015)

- Real Estate - \$1.04/\$100 of assessment - \$1.05/\$100 with Mosquito Control
- Personal Property - \$4.00/\$100 at 100% of loan value - \$4.08 with Mosquito Control
- State Non-Grocery Retail Sales - 5.0%
- Restaurant - 5.5% of meal

**RETAIL SALES**

- \$3,977,784 *Source: U.S. Census Bureau*
- 2 Regional Malls

**TRANSPORTATION**

- Chesapeake Municipal Airport and Hampton Roads Airport are located in Chesapeake
- Norfolk International Airport is located 12 miles from central Chesapeake and offers more than 200 daily flights
- Bus - Greyhound & Hampton Roads Transit Authority

**CULTURAL**

The following serve the metro area:

- Virginia Opera Association
- Virginia Symphony
- Chrysler Museum
- The New Theatre of Chesapeake
- Virginia Aquarium and Marine Science Center
- Virginia Sports Hall of Fame
- MacArthur Memorial
- Children's Museum
- The Chesapeake Planetarium
- Virginia Stage Company

**CLIMATE**

- Average summer 76.5 degrees (July warmest)
- Average winter 41.3 degrees (February coldest)
- Average annual rainfall 45 inches
- Average annual snowfall Trace

**EDUCATION**CHESAPEAKE PUBLIC SCHOOLS

- 28 elementary schools
  - 10 middle schools
  - 7 senior high schools
  - 2 centers for special programs
  - 9 support buildings
- Students: 38,685      Teachers: 2,975

COLLEGES

## Tidewater Community College

These institutions are located in the Metro area:

- Old Dominion University
- Norfolk State University
- Regent University
- Eastern Virginia Medical School
- Virginia Wesleyan College

**MEDICAL FACILITIES**

- Chesapeake Regional Medical Center (310 beds)
- 9 other general hospitals serve the area

**LIBRARY**

- 1 central library +6 branches and a bookmobile
- Over 576,000 volumes

**RECREATION**

- Great Dismal Swamp National Wildlife Refuge (54,133 acres)
- Northwest River Park (763 acres) with boating, hiking, riding, mini golf, fishing and campground
- 64 public tennis courts
- Organized sports: basketball, softball, football, soccer
- Canoeing on 30 miles of water trails
- Dismal Swamp Trail
- Boating on Intracoastal Waterways
- 8 Community recreation centers
- Greenbrier Civic Sports Complex
- Skate facility and a BMX bike trail
- 2 Dog parks

Major Parks: Great Bridge Lock Park, Deep Creek Lock Park, Centerville Park, Lakeside Park, Crestwood Park, Western Branch Park, Indian River Park, Oak Grove Lake Park, City Park

**5.01 FISCAL YEAR.**

The fiscal year of the City shall begin on the first day of July and shall end on the last day of June of each calendar year. Such fiscal year shall also constitute the budget and accounting year.

**5.02 SUBMISSION OF OPERATING BUDGET.**

The city manager shall submit to the council an operating budget and a budget message at least ninety days prior to the beginning of each fiscal year.

**5.03 OPERATING BUDGET MESSAGE.**

The manager's message shall explain the budget in fiscal terms. It shall contain the recommendations of the city manager concerning the fiscal policy of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, and include such other material as the manager deems desirable.

**5.04 OPERATING BUDGET PREPARATION.**

The budget shall provide a financial plan for the ensuing fiscal year and shall be in such form as the manager deems advisable or the council may require. A minimum of six percent of the total general fund revenue shall be reserved upon the adoption of the City's annual operating budget and shall be restricted for emergency use and cash flow needs which occur throughout the year. In organizing the budget, the manager shall utilize the most feasible combination of expenditures classification by fund, organization unit, program, purpose or activity and object. It shall be prepared in accordance with generally accepted principles of municipal accounting and budgeting procedures and techniques. It shall be the duty of the head of each department, the judges of the courts not of record, each board or commission, including the school board, and each other office or agency supported in whole or in part by the City, to file at such time as the city manager may prescribe estimates of revenue and expenditures for that department, court, board, commission, office or agency for the ensuing fiscal year. The city manager shall hold such hearings as deemed advisable and shall review the estimates and other data pertinent to the preparation of the budget and make such revisions in such estimate as deemed proper, subject to the laws of the Commonwealth relating to the obligatory expenditures for any purpose, except that in the case of the school board may recommend a revision only in its total estimated resources and requirements. In no event shall the requirements recommended by the city manager in the budget exceed the resources estimated, taking into account the estimated cash surplus or deficit at the end of the current fiscal year, unless the city manager shall recommend an increase in the rate of ad valorem taxes on real estate and tangible personal property or other new or increased fees, charges, or taxes or licenses within the power of the City to levy and collect in the ensuing year, the revenue from which, estimated on the average experience with the same or similar taxes during the three tax years last past will make up the difference. If estimated resources exceed estimated requirements, the city manager may recommend revisions in the tax and license ordinances of the city in order to bring the budget into balance.

At the same time that the city manager submits the operating budget, the city manager shall introduce and recommend to the council an appropriation ordinance which shall be based on the budget. The city manager shall also introduce at the same time any ordinances levying a new tax or altering the rate on any existing tax necessary to balance the budget as provided in this section. (1988 Acts, Ch. 288, § 1)

**5.05 COUNCIL ACTION ON THE OPERATING BUDGET.****A. NOTICE AND HEARING.**

The council shall publish in one or more newspapers of general circulation in the City the general summary of the proposed budget and a notice stating:

1. The times and places where copies of the message and budget are available for inspection by the public; and
2. The time and place, not less than twenty-one days after such publication, for a public hearing on the budget.

**B. AMENDMENT BEFORE ADOPTION.**

After the public hearing, the council may adopt the budget with or without amendment. In amending the budget, it may add or increase programs or amounts, except requirements required by law or for debt service, and except further that in the case of the school board, the council may only revise the total estimated resources or requirements. In no case shall the council increase the authorized requirements to an amount greater than the total of estimated resources.

**C. ADOPTION.**

The council shall adopt the budget by the vote of at least a majority of all members of the council not later than forty-seven days prior to the end of the current fiscal year. Should the council take no action prior to such day, the budget shall be deemed to have been finally adopted as submitted by the city manager. In no event shall the council adopt a budget in which the estimated total of requirements exceeds resources, unless at the same time it adopts measures to provide additional resources estimated to be sufficient to make up the difference. Adoption of the budget shall include adoption of an ordinance appropriating the amounts specified therein from the funds indicated and an ordinance levying the property tax therein proposed.

**5.06 AMENDMENTS AFTER ADOPTION OF OPERATION BUDGET.****A. SUPPLEMENTAL APPROPRIATIONS.**

If during the fiscal year the manager certifies that there are funds available in excess of those estimated in the budget, the council by ordinance may make supplemental appropriations for the year up to the amount of such excess.

**B. REDUCTION OF APPROPRIATIONS.**

If at any time during the fiscal year it appears probable to the manager that the resources available will be insufficient to meet the amount appropriated, the city manager shall report to the council without delay, indicating the estimated amount of the shortfall, any remedial action taken by the city manager and recommendations as to any other steps to be taken. The council shall then take such further action as it deems necessary to prevent or minimize any shortfall and for the purpose it may by ordinance reduce one or more appropriations.

**5.07 LAPSE OF APPROPRIATIONS.**

Every appropriation, except an appropriation for a project in the capital improvement program, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a project in the capital improvement program shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

**5.08 CAPITAL IMPROVEMENT PROGRAM.****A. SUBMISSION TO COUNCIL.**

The manager shall prepare and submit to the council a five-year capital improvement program at least ninety days prior to the beginning of each fiscal year.

**B. CONTENTS.**

The capital improvement program shall include:

1. A general summary of its contents;
2. A list of all capital improvements which are proposed to be undertaken during the five fiscal years next ensuing, with appropriate supporting information as to the necessity for such improvements;
3. Cost estimates, method of financing, and recommended time schedules for each such improvement; and
4. The estimated annual cost of operating and maintain the facilities to be constructed or acquired;

The above information shall be revised and extended each year with regard to capital projects still pending. (1998 Acts, Ch. 561, § 1; 1998 Acts, 626, § 1)

**5.09 COUNCIL ACTION ON CAPITAL IMPROVEMENT PROGRAM.****A. NOTICE AND HEARING.**

The council shall publish in one or more newspapers of general circulation in the City the general summary of the capital improvement program and notice stating:

1. The times and places where copies of the capital improvement program are available for inspection by the public; and
2. The time and place, not less than fourteen days after such publication, for a public hearing on the capital improvement program.

**B. ADOPTION.**

The council shall adopt a capital improvement program with or without amendment after the public hearing and not later than forty-seven days prior to the end of the current fiscal year. Should the council take no action prior to such day, the program shall be deemed to have been finally adopted as submitted by the city manager. The capital improvement program, after adoption, shall be deemed a plan only, with the right being reserved to the council to change the same at any time.  
(1998 Acts, Ch. 561, § 1; 1998 Acts, Ch. 626, § 1)

**22.1-93. EDUCATION.**

Approval of annual budget for school purposes. - Notwithstanding any other provision of law, including but not limited to Charter 25 (§ 15.2-2500 et seq.) of Title 15.2, the governing body of a county shall prepare and approve an annual budget for educational purposes by May first or within thirty days of the receipt by the county of the estimates of state funds, whichever shall later occur, and the governing body of a municipality shall prepare and approve an annual budget for educational purposes by May fifteenth or within thirty days of the receipt by the municipality of the estimates of state funds, whichever shall later occur.

The Superintendent of Public Instruction shall, no later than the fifteenth day following final adjournment of the Virginia General Assembly in each session, submit estimates to be used for budgetary purposes relative to the Basic School Aid Formula to each school division and to the local governing body of each county, city and town that operates a separate school division. Such estimates shall be for each year of the next biennium or for the then next fiscal year. (Code 1950, § 22-127; 1956, Ex. Sess., c. 67; 1959, Ex. Sess., c. 79, § 1; 1968, c. 614; 1971, Ex. Sess., c. 162; 1975, c. 443; 1978, c. 551; 1980, c. 559; 1981, c 541.)

City of Chesapeake, Virginia  
FY 2014-15 Operating Budget

### Authorized Positions - Full Time Equivalents (FTE)

Department	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	5-Year Change
<b>GOVERNANCE &amp; MANAGEMENT SERVICES</b>						
Audit Services	6.00	6.00	6.00	6.00	6.00	0.00
Budget	6.81	6.81	6.26	6.26	6.26	(0.55)
City Attorney	16.05	15.55	15.55	15.55	17.55	1.50
City Clerk	6.00	7.00	7.00	6.50	6.50	0.50
City Council	9.00	9.00	9.00	9.00	9.00	0.00
City Manager	10.88	11.00	11.00	10.00	9.50	(1.38)
City Treasurer	47.09	47.09	47.09	47.61	48.61	1.52
Commissioner of Revenue	45.22	41.22	41.22	41.22	42.22	(3.00)
Customer Contact Center	9.80	9.80	9.80	9.80	9.80	0.00
Finance	20.76	22.01	21.38	23.38	24.25	3.49
Human Resources	19.74	21.13	19.63	20.63	23.25	3.51
Public Communications	12.00	12.00	11.40	11.40	12.00	0.00
Purchasing	10.25	10.18	10.00	11.00	12.00	1.75
Real Estate Assessor	30.00	30.00	30.00	30.00	30.00	0.00
Registrar/Electoral Board	8.56	8.56	8.79	8.79	8.54	(0.02)
Sub-total	258.16	257.35	254.12	257.14	265.48	7.32
<b>QUALITY COMMUNITY OF LIFE:</b>						
Integrated Behavioral Healthcare	215.92	218.92	253.76	241.81	245.28	29.36
Health	13.30	14.56	8.40	8.40	8.40	(4.90)
Human Services						
Community Programs	13.43	13.43	13.43	9.80	10.80	(2.63)
Interagency Consortium	4.00	4.00	4.00	4.00	4.00	0.00
Juvenile Services*	77.88	83.63	83.95	83.95	87.05	9.17
Social Services	215.35	215.35	215.35	226.35	245.48	30.13
Library	118.33	122.43	123.00	123.00	124.53	6.20
Mosquito Control	50.00	50.00	50.00	47.51	41.51	(8.49)
Parks & Recreation*	193.68	194.83	192.49	212.96	222.88	29.20
Sub-total	901.89	917.15	944.38	957.78	989.93	88.04

City of Chesapeake, Virginia  
 FY 2014-15 Operating Budget

### Authorized Positions - Full Time Equivalents (FTE)

Department	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	5-Year Change
<b>ECONOMIC &amp; ENVIRONMENTAL VITALITY:</b>						
Agriculture	7.00	7.00	6.00	6.00	6.00	(1.00)
Conference Center /Conventions &Tourism	36.51	33.63	37.85	36.00	7.00	(29.51)
Development & Permits	72.50	76.50	74.50	78.00	80.00	7.50
Economic Development Planning Department	12.00	13.00	12.63	12.23	10.63	(1.37)
Public Utilities	208.01	208.01	208.26	210.26	212.26	4.25
Public Works	454.15	450.65	450.99	455.35	463.10	8.95
Sub-total	810.67	809.29	810.73	820.34	801.99	(8.68)
<b>PUBLIC SAFETY &amp; JUSTICE:</b>						
Police	543.44	554.27	548.27	548.86	552.24	8.80
Fire	428.43	443.73	442.49	442.62	445.82	17.39
Sheriff's Office	406.88	406.00	400.00	400.00	399.87	(7.01)
Clerk of the Circuit Court	32.00	32.00	32.00	32.00	32.00	0.00
Circuit Court	6.75	6.75	6.75	6.75	6.00	(0.75)
Commonwealth's Attorney	45.60	45.60	45.60	45.60	45.60	0.00
Sub-total	1,463.10	1,488.35	1,475.11	1,475.83	1,481.53	18.43
<b>NON-DEPARTMENTAL</b>						
Central Fleet	37.00	37.50	35.50	35.50	36.50	(0.50)
Information Technology	58.60	60.65	57.50	56.00	57.00	(1.60)
Risk Management	3.00	3.00	3.00	4.00	4.00	1.00
Sub-total	98.60	101.15	96.00	95.50	97.50	(1.10)
<b>TOTAL</b>	<b>3,532.42</b>	<b>3,573.29</b>	<b>3,580.34</b>	<b>3,606.59</b>	<b>3,636.43</b>	<b>104.01</b>

\* Adjusted for seasonal/substitute pooled positions

<u>FUND</u>	<u>TITLE</u>
100	General Fund
101	Cash Controls
199	General Fixed Assets
201	Virginia Public Assistance Fund
203	Interagency Consortium Fund
204	Fee Supported Activities Fund
205	Chesapeake Integrated Behavioral Healthcare
206	Chesapeake Conference Center
207	E-911 Operations
208	Juvenile Services
209	Tax Increment Financing Fund - Greenbrier
210	Open Space & Agricultural Preservation (OSAP)
211	OPEB Trust (Component Unit)
212	Tax Increment Financing Fund – South Norfolk
214	Housing Fund
216	Proffers Fund
220	Community Development Fund
228	Grants Fund
300	Capital Projects Fund
401	City Wide Debt Fund
450	Lease Authorization Fund
499	City General Long Term Debt
501	Public Utilities Operations Fund
502	PU Construction
504	PU Construction
506	Debt Service Reserve Fund
507	PU Capital Improvement
508	Public Utilities Improvement and Redemption Fund
509	Utilities Revenue Bond Fund
510	Utilities Revenue Fund
511	Public Utilities Senior Debt Service Component Fund
512	Public Utilities Subordinate Debt Fund
513	Public Utilities Rate Stabilization Fund
514	Public Utilities General Reserve Fund
520	Stormwater Management Operations Fund
521	Stormwater - Construction
525	Chesapeake Expressway - Operations Fund
526	Chesapeake Expressway - Renewal and Replacement
527	Chesapeake Expressway - Capital Improvement
601	Central Fleet
603	Information Technology Fund
606	Self-Insurance Fund
607	Termination Benefits Fund
701	Virginia Public Assistance Fund – Special

702	Other Post Employment Benefits Trust Fund
720	Poor Trust Fund
721	Carney Trust Fund
800	Chesapeake Mosquito Commission
801	Economic Development Auth
802	Airport Authority
850	CSB of Chesapeake, Inc.
900	School Operating Fund
928	School Grants
930	School Building Fund
940	School Textbook Fund
941	School Lunchroom Fund
942	School Cell Tower Fund
965	CPS Self Insurance
980	CPS School Activity Funds

The City's account structure also maintains and tracks the budget and City spending by Department and Program code within each department and fund.

A further extension of the budgetary code is made to indicate how City funds are spent. A summary is as follows:

**ACCOUNT STRING 15XXXXXXX - PERSONNEL SERVICES**

**FULL TIME AND PART-TIME PAYROLL:** Expenditures for the direct labor of persons in the employment of the local government. Salaries and wages paid to employees for full and part-time work, including overtime, shift differential and similar compensation. Also includes payments for time not worked, including sick leave, vacation, holidays, and other paid absences (jury duty, military pay, etc.) which are earned during the reporting period.

**EMPLOYEE BENEFITS:** Expenditures for job related benefits provided employees as part of their total compensation. Fringe benefits include the employer's portion of FICA, pensions, insurance (life, health, disability income, etc.) and employee allowances.

**ACCOUNT STRING 16XXXXXXX - CONTROLLABLE EXPENDITURES**

**INTERNAL SERVICES:** Expenditures for charges from an Internal Service Fund to other departments of the local government. Internal Services include information technology, automotive/motor pool, and risk management.

**UTILITIES:** Expenditures for electricity, water/sewer charges, telephone, and heating fuel.

**ACCOUNT STRING 17XXXXXXX - GENERAL EXPENDITURES**

**PURCHASED SERVICES:** Expenditures for services acquired from outside sources (i.e., private vendors, public authorities or other governmental entities). Purchase of the service is on a fee basis or fixed time contract basis. Payments for rentals and utilities are not included in this account description.

**MATERIALS AND SUPPLIES:** Expenditures include articles and commodities that are consumed or materially altered when used and minor equipment that is not capitalized.

**PAYMENT FOR NON-DEPARTMENTAL ACTIVITIES:** Expenditures for various activities within the City which do not fall under a specific department and payments to agencies outside the government for support of services or for membership.

**OTHER CHARGES:** Expenditures to include: Insurance, Leases and Rentals, Travel, Contributions to Other Entities, Public Assistance Payments, and Miscellaneous.

**ACCOUNT STRING 18XXXXXXX - CAPITAL OUTLAY**

**EQUIPMENT:** Expenditures for outlays that result in the acquisition of or additions to fixed assets except outlays for major capital facilities (i.e., land and buildings) which are constructed or acquired. Expenditures for these major capital facilities are reflected within Capital Project Funds. Capital Outlay includes the purchase of assets both replacement and/or additional.

**ACCOUNT STRING 19XXXXXXX - INTERFUND TRANSFERS**

**TRANSFERS:** Either revenue or expenditures for moving budget and cash between funds.

**ADA:** Americans with Disabilities Act, which is the federal legislation, requiring all public buildings to be handicap accessible.

**Adjusted Budget:** The Adopted Budget as amended by the City Council and adjusted to show comparability as a result of shifts in programmatic or functional responsibilities.

**Amended Budget:** The Adopted Budget as formally adjusted by the City Council.

**Appropriation:** An authorization made by the City Council which permits officials to incur encumbrances or obligations against and to make expenditures of City controlled governmental dollar resources. Appropriations are usually made for fixed dollar amounts and are typically granted for a one (1) fiscal year period.

**Appropriation Ordinance:** The official enactment by the City Council establishing the legal authority for the City officials to encumber or obligate and expend dollar resources.

**Assessed Valuation:** The estimated dollar value placed upon real and personal property by the chief appraiser of the appraisal district as the basis for levying property taxes.

**Assets:** Property owned by the City which has book or appraised monetary value.

**Balanced Budget:** A financial plan where use of resources for operating expenditures for a specified time period does not exceed available resources.

**Base Budget:** On-going expense for personnel, contractual services, materials and supplies, and the replacement of supplies and equipment required to maintain service levels previously authorized by the City Council.

**BOCA:** United States (Building Officials and Code Administrators) Code.

**Budget (Operating):** A plan of financial operation embodying an estimate of proposed revenues and expenditures for a given period (typically a fiscal year). The term "Approved Budget" is often used to denote the City Council officially Approved Budget under which the City and its departments operate.

**Budget Document:** The official written statement prepared by the Budget office and supporting staff which presents the Budget as proposed by the City Manager and/or approved by the City Council.

**Budget Message:** A general discussion of the Proposed Budget presented in writing as a part of the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the City Manager.

**CAFR:** Comprehensive Annual Financial Report includes audited financial statements and related financial information of the City as of the end of the fiscal year.

**Capital Assets (fixed assets):** Assets of significant value and having a useful life of several years.

**Capital Budget:** A plan of proposed capital expenditures for buildings, parks, schools, utilities, etc., and their financing sources. The Capital Budget is enacted as part of the City's Consolidated Budget which includes both the Operating Budget and the Capital Budget. The Capital Budget is based on the first fiscal year of the five (5) year capital improvement program.

**Capital Improvement Plan (CIP):** A plan for capital projects for a period of five (5) years that includes project descriptions, estimated project costs, beginning and completion dates, the method of financing and the estimated operational cost for completed projects.

**Capital Outlays:** Expenditures for the acquisition of capital assets that includes the cost of land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment.

**Capital Projects:** Projects that include the purchase or construction of capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**Charter:** The legal document in which the Commonwealth of Virginia Assembly established the City and enumerates its authority.

**Contingency:** A budgetary reserve set aside for emergencies or unforeseen expenditures.

**Contractual Services:** Are items of expenditure for services the City receives from an outside company.

**DCJS:** Department of Criminal Justice Services is a State agency supporting courts and related agencies.

**Debt Service:** Payment of interest and principal to holders of the City's debt instruments along with fees paid to bond trustees.

**Deficit:** 1.) The excess of an entity's or fund's liabilities over its assets (See Fund Balance).  
2.) The excess of expenditures or expenses over revenues during a single accounting period.

**DEQ:** Virginia Department of Environmental Quality.

**DMH-ID-SAS:** The Commonwealth of Virginia Department of Mental Health, Intellectual Disability and Substance Abuse Services which is the parent organization to the Chesapeake Integrated Behavioral Healthcare department.

**DMV:** Division of Motor Vehicles, a federal agency responsible for administering the registration of vehicles.

**EMS:** Emergency Medical Service, a part of the Fire Department providing emergency rescue services.

**Encumbrances:** Obligations in form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set-up/recorded.

**Enterprise Fund:** Public Utilities are examples of enterprise funds. Separate financial accounting used for government operations that are financed and operated in a manner similar to business enterprises, and for which preparation of an income statement is desirable.

**EPA:** The federal Environmental Protection Agency that enforces environmental regulations.

**Expenditures:** In systems of accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. In cash basis systems, expenditures are recognized only when the cash payments for the above purposes are made.

**FICA:** Federal Insurance Contributions Act, a payroll cost representing social security tax and medicare tax.

**Fiscal Year (FY):** The twelve (12) month period for which funds are budgeted and expensed. For the City of Chesapeake, the fiscal year begins July 1<sup>st</sup> and ends the following June 30<sup>th</sup>.

**Function:** An accounting entity which is part of a fund. It is a compilation of all costs associated with a program or a department within a fund. Also referred to as a budget program.

**Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance:** The excess of an entity's or fund's assets over its liabilities. A negative fund balance is sometimes called a deficit.

**GASB:** Government Accounting Standards Board is the organization that formulates accounting standards for governmental units.

**General Fund:** The major fund in most governments which budgets for and accounts for all activities not included in other funds. Most tax funded functions such as public safety are in this fund.

**General Fund Supported Activities:** Functions which receive support from the General Fund but have significant revenues from other sources such as grants, fees or other governmental entities.

**General Obligation Bonds:** When the City pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (G.O.) bonds. Sometimes the term is also used to refer to bonds which are to be repaid from taxes and other general revenues.

**GIS:** Geographical Information System which is a City-wide computerized mapping program.

**HIPAA:** Health Insurance Portability and Accountability Act of 1996.

**HVAC:** Heating, ventilating and air conditioning; the system or systems that condition air in a building.

**HUD:** The Federal Housing and Urban Development agency that awards the grant funding to the City for housing and urban development projects.

**Intergovernmental Grant:** A contribution of assets (usually cash) by one (1) governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal Governments. Grants are usually made for specified purposes.

**Internal Service Fund:** Funds used to account for the financing of goods or services provided by one (1) department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. Includes Information Technology, Risk Management and Central Fleet funds.

**Lock Box:** Designated capital reserve with recurring contributions or designations for City and School infrastructure needs. Funds can be used for cash payments or to pay debt service for specified City and Schools projects. There is a School Lock Box, City Lock Box, and a Transportation Lock Box.

**MH:** Mental Health Services which is a division of Chesapeake Integrated Behavioral Healthcare.

**Modified Accrual Accounting:** A basis of accounting in which revenues are recorded when collected with the current period or soon enough thereafter to be used to pay liabilities of the current period and expenditures are recognized when the related liability is incurred.

**N/A:** Information is “not available.”

**Objectives:** Statements about a department’s annual level of activity. Objectives are measurable; time bound activities, which illustrate how a department intends to reach its goals.

**Object of Expenditure:** Expenditure classifications based upon the types or categories of goods and services purchased. Typical objects of expenditure include:

- Personnel services (salaries, wages and other compensation and benefits paid to or on behalf of employees.)
- Purchased services (private vendors, public authorities or other governmental entities);
- Materials and supplies
- Capital outlay.

**Operating Funds:** Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

**Performance Measures:** Specific quantitative productivity measures of work performed within an activity or program. Also, a specific quantitative measure of results obtained through a program or activity. These are developed at the program (budget unit) level.

**Personnel Services:** Items of expenditures for salaries and wages paid for services performed by City employees, as well as the incidental fringe benefit costs associated with City employment.

**PM:** Preventative Maintenance, regular inspection and repairs to prevent equipment or building system failure or malfunction.

**Rating:** The credit worthiness of a City as evaluated by independent agencies, with AAA or Aaa being the highest.

**Reserve:** An account used to indicate that a portion of fund equity or balance is legally designated or restricted for a specific purpose, e.g., cash flow reserve.

**Resources:** Total dollars, people, materials and facilities available for use including estimated revenues, fund transfers, and beginning fund balances.

**Revenue:** The income of a government from all sources for payment of public expenses. Can include taxes, user fees, license and permit fees, use of money and property, payments from other governmental sources, and grants.

**Revenue Bonds:** Bonds issued by the government which do not pledge the full faith and credit of the jurisdiction but rather are issued with limited liability tied to a revenue stream which is pledged to repay these bonds. Revenue bonds are not included in the debt limit set by City Charter and under state law do not require voter approval.

**SA:** Substance Abuse which is a division of the Chesapeake Integrated Behavioral Healthcare.

**Sewer Utility:** Funding received from sewer usage fees for the Public Utilities Department's operations.

**SOL:** Standards of Learning which are the measures used by the Commonwealth of Virginia against which all students' achievement in school are measured.

**SOQ:** Standards of Quality are the education standards established by the Commonwealth that prescribe State funding of school personnel (teachers, principals, and other non-instruction staff) and other costs of the School Board.

**Tax Levy:** The total amount to be raised by general property taxes for operations and debt service purposes.

**Tax Rate:** The amount of tax levied for on a specific unit of cost (tax per \$100 property value, tax per one dollar retail sales, etc)

**Tax Rate Limit:** The maximum legal property tax rate at which a municipality may levy a tax. The limit may apply to taxes raised for a particular purpose or for general purposes. In Virginia, this is generally established in the State Code.

**User Charges (User Fees):** The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**VDOT:** Virginia Department of Transportation which is the state agency that maintains state roads.

**VRS:** Virginia Retirement System which is the state retirement system for public employees that provides its members with benefits at retirement or upon disability or death.

**Water Utility:** Funding received from water usage fees for the Public Utilities Department operations.

**Grant Summary**

The City receives grants and donations from a variety of sources. Grants and donations are held in a fund separate from City Operational Funds; however, grants are a part of the annual appropriation and are included here for that purpose. Unlike the rest of the operating budget, grants typically have a term that extends beyond the fiscal year in which they are awarded. Each year the City is awarded grants that total approximately \$4 million. The grants listed here are primarily formula-based, non-competitive awards that the City receives each year in predictable amounts. The list excludes competitive awards that the City often receives, but in amounts that are not accurately predictable.

City Council appropriates all grants; those that are not listed here are appropriated as they are awarded through an amendment to the annual appropriation. For grants listed here, an amendment to the appropriation is also required whenever the grant award differs from the estimated amount.

<b>Grant Title</b>	<b>Funding Source</b>	<b>FY12-13 Awarded</b>	<b>FY13-14 Expected</b>	<b>FY14-15 Proposed</b>
<b>Commonwealth Attorney</b>				
Domestic Violence	VA	40,000	40,000	40,000
<b>Fire</b>				
Local Emergency Management Performance Grant	FED	21,284	71,284	31,284
Citizen Corps Council Program Grant	FED	35,000	35,000	35,000
Hazardous Materials Training	FED	35,000	10,500	10,500
Radio Communications Cache Grant	FED	100,000	100,000	100,000
Rescue Squad Assistance Grant	VA	112,853	90,000	90,000
Four For Life	VA	203,088	202,701	200,000
Assistance to Firefighters Grant	FED	484,487	414,984	220,000
Fire Programs - State	VA	566,750	633,755	561,845
<b>Human Services</b>				
Chesapeake Bay Grant	VA	6,000	6,000	6,000
Court Appointed Special Advocate (CASA) Grant	VA	44,096	43,663	43,663
Department of Juvenile Justice Food Program Grant	Fed	100,000	123,980	120,000
Promoting Safe and Stable Families	FSL	136,266	131,169	115,955
Guardianship Grant	VA	53,128	54,000	54,000
Pretrial Services	VA	289,264	298,294	256,200
Diversion Services	SL	306,898	215,397	293,096
<b>Parks, Recreation &amp; Tourism</b>				
Urban Forestry Grant	FED	1,500	1,500	1,500
Local Government Challenge Grant	VA	10,000	10,000	10,000
Litter Prevention & Recycling Program Grant	VA	36,405	32,292	32,000

**Grant Summary**

<b>Grant Title</b>	<b>Funding Source</b>	<b>FY12-13 Appropriated</b>	<b>FY13-14 Expected</b>	<b>FY14-15 Proposed</b>
<b>Police</b>				
Local Training Academy	LOC	25,708	24,505	24,500
Public Safety Drug Enforcement Grant Edward Byrne Memorial Justice Assistance Grant	SL	152,830	95,455	100,000
COPS Grant	FED	163,719	112,654	115,000
	FED	559,946	50,633	50,633
<b>Sheriff</b>				
Seized Assets	VA	8,027	2,558	5,000
Victim Witness	VA	336,477	336,477	336,477
		3,828,726	3,136,801	2,852,653

- FED Federal grants
- VA Commonwealth grants
- LOC Local grants
- FSL Federal grants with state and local match requirements
- SL Commonwealth grant with local match requirements