

City of Hampton, Virginia

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FY 2013 Council Approved Budget-in-Brief

Budget Highlights

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- Total City approved budget is, **\$431,009,323** a **0.52%** increase over FY 2012.
- The City's General Fund budget is **\$239,157,704**, a **1.94%** decrease or **\$4.7 million** less than FY 2012. To balance the budget, a combination of tax and fee increases, higher attrition and retirement incentive savings, reallocation of allocable positions to the special revenue funds and declining debt service expenses are included in this approved budget.
- Program reductions totaling \$2.11 million (net loss of 9 full-time general fund positions) have been recommended and approved by City Council based on the results of citizen polling (on-line, citizen meetings, and random scientific based telephone survey) and many hours of program/service reviews by the Budget Review Committee.
- A combination of increases in tax and fee adjustments included in the budget are the meals tax, cigarette tax and motor vehicle licensing fee along with dedicated fees for permit technology enhancements and fire services permits and fees.
- **The Real Estate Tax rate remains unchanged at \$1.04 per \$100/assessed value for the 5th straight year. The average Hampton household will experience a 6% decrease in real estate taxes.**
- Some of the program reductions/restructuring recommendations as supported by a clear majority of the citizen polling efforts are:
 1. Reducing printed materials and utilizing the web as a primary source of communication
 2. Restructuring of some of the city's core services which includes the Teen Center, Youth Violence Prevention and the Citizen's Unity Commission.
- Funding for Fire, Emergency Services, Police and Public Works services were largely held constant due to the critical nature of these services.
- This budget includes the overhaul of Land Development Services based on a review of best practices and a reengineering study conducted with the help of businesses and residential customers.



- Mandates imposed by the Environment Protection Agency (EPA) and the Virginia Department of Environmental Quality (DEQ) also require increases in Stormwater and Wastewater fees. Funding for these mandates were aligned with the Citizens' Waterways Committee Report.
- Funding is included for the City's share of increased health and life insurance premiums; pension contribution increases as required by the actuarial study; a salary offset for the General Assembly required VRS employee contribution shift; and increased State mandated line of duty payments for public safety personnel.
- The employee compensation package includes monetary and non-monetary benefits: a one-time performance payment up to \$1,000 for city employees based on an annual merit rating; four "personal days" to be used in the fiscal year; restoration of the City's tuition assistance program; and, access to community fitness centers.

Major Tax & Fee Rate Changes

- The **Real Estate Property Tax Rate** remains unchanged at **\$1.04/\$100** assessed value.
- The **Restaurant/Meal Tax** increase from **6.5%** to **7.5%**.
- The **cigarette tax** is recommended to increase from **\$0.75** to **\$0.80** per pack of twenty.
- The **right-of-way fee**, established by State law, is increasing from **\$0.83** to **\$0.91** per line per month.
- **Motor Vehicle License fee** increase by \$5.00 from **\$30/\$35** to **\$35/\$40**
- **Stormwater User Fee** increases by \$1.81 from **\$4.60** to **\$6.41** per month for residential and commercial per 2,429 sq. ft. of impervious area
- **Wastewater Surcharge** will increase by \$0.22 from **\$0.44** to **\$0.66** per 100 cu. ft. of water consumption
- A complete listing of the changes which include fire services and code compliance certificates, permits and fee changes can be reviewed in the FY13 Council Approved Budget under the **"Tax and Fee Recommendations"** section available online or in the public libraries.

HAMPTON CITY SCHOOLS EXPENDITURES

- The total school budget for FY2013 is **\$191,851,619**, a **3.76%** increase over FY2012.
- The local contribution to the Hampton School System is **\$64,925,178**, a **\$1.4 million** or **2.14%** reduction from FY2012. This contribution is based on a mutually agreed upon formula in which the Schools System's local funding is based on **61.83%** of the growth or loss in residential real estate, personal property and utility tax revenue. Also, this approved budget includes one-time dedicated funding for a final lease payment and transportation needs for the Jones and Cooper students.
- The required local contribution, according to State law is \$27,985,977. The City's contribution in excess of the state requirement is \$36,939,201.

CAPITAL BUDGET EXPENDITURES

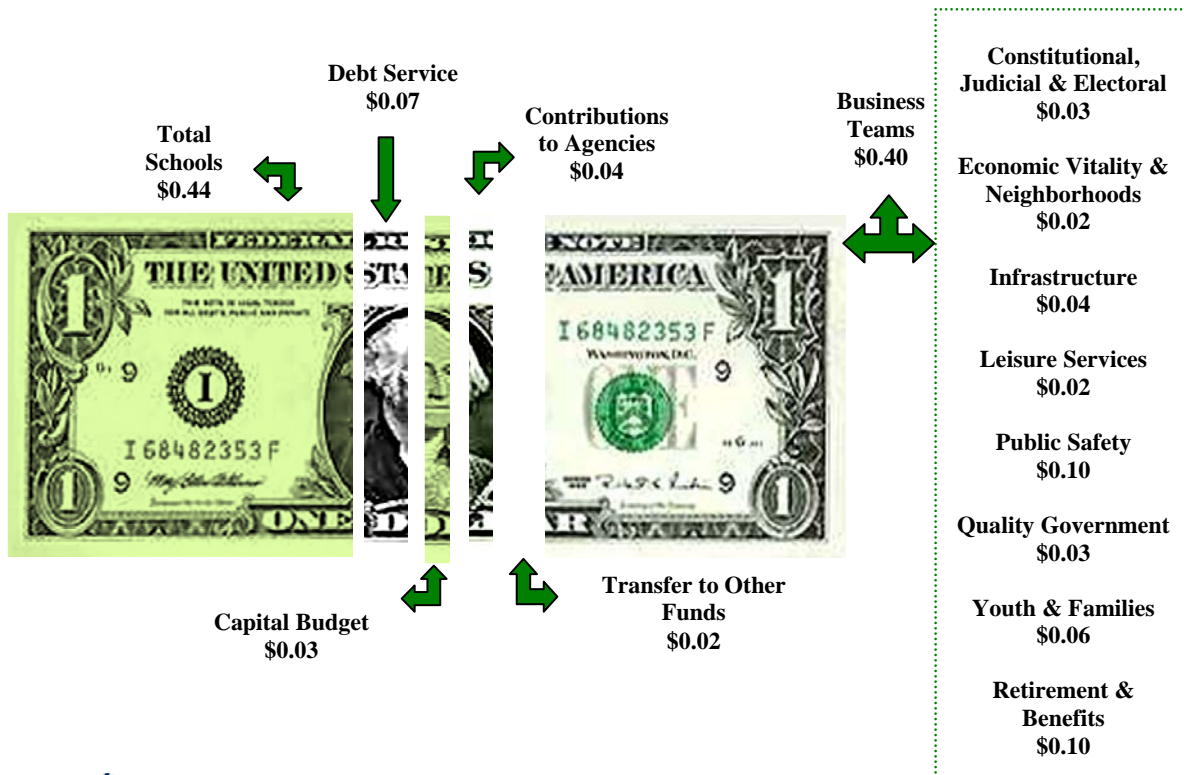
{by Categories}

- **Education - \$5,456,604:** Routine maintenance and major renovation projects at various Hampton City Schools and site improvements at Thomas Nelson Community College.
- **Hampton's Waterways - \$2,895,000:** Watershed studies and projects determined by results; dredging and drainage projects; development and implementation of Best Management Practices for the Chesapeake Bay TMDL and educational outreach program on tidal flooding.
- **Maintenance of Public Properties and Performance Support - \$3,783,000:** Maintenance projects at various public facilities and Parks and Recreation sites; re-engineering technology and compliance with DEQ consent order related to updating portions of the sanitary sewer system.
- **Master Plans - \$250,000:** Engineering study to extend Coliseum Drive in the areas of Hampton Roads Center Parkway north to Butler Farm Road.
- **Neighborhood Support - \$635,500:** Blighted property acquisition/demolition and Neighborhood Improvement funding.
- **New Facilities - \$3,000,000:** Construction of a new regional animal shelter facility.
- **Other CIP Projects - \$2,354,289:** Contingency funding, lease payment for the newly acquired Motorola public safety radio system and funding for strategic property acquisition.
- **Streets and Infrastructure - \$6,864,774:** Pedestrian enhancements; streetscape design and improvements; intersection improvements with traffic signal upgrades and City-wide street resurfacing.

BUDGET IMPACT ON HAMPTON HOUSEHOLD

Tax/Fee	Annual Impact from Change
Real Estate Decrease of 6% average decline in housing value for \$200,000 home	(\$124.80)
\$5 per vehicle increase in motor vehicle licensing fee, two vehicles	\$10.00
\$1.81 per month increase in Stormwater user fee	\$21.72
\$0.22 per 100 cubic feet increase in sewer user fee	\$14.52
TOTAL IMPACT ON RESIDENT	(\$78.56)

HOW \$1 IS SPENT



ADDITIONAL INFORMATION

Information regarding the contents of this or any other budget volumes can be obtained by calling the City of Hampton's Office of Budget and Management Analysis at (757) 727-6377 from 8:00 a.m. to 4:30 p.m., Monday through Friday.

Internet Access: The FY 2013 Council Approved Budget-in-Brief is located on-line at <http://www.hampton.gov/budget>.

Document: Copies of the Council Approved Budget document are available for viewing at all City of Hampton public libraries:

- Main Branch, 4207 Victoria Blvd., (757) 727-1154
- Northampton Branch Library, 936 Big Bethel Road, (757) 825-4558
- Phoebus Branch Library, One South Mallory Street, (757) 727-1149
- Willow Oaks Branch Library, Willow Oaks Village Square, (757) 850-5114

Copies of the budget document can also be viewed in the Office of Budget and Management Analysis, City Hall, 7th Floor. Additional copies of the Budget-In-Brief can be obtained at no cost.