



# MANAGER'S MESSAGE

Mayor Ward, City Council Members and Citizens:

Enclosed you will find the FY 2011 Manager's Recommended Budget totaling \$412,382,738, a 5.16% decrease from the adopted FY 2010 budget. Of this grand total, the City Operations budget is \$227,897,562 (0.79% increase) and the School System portion is \$184,485,176 (11.61% decrease).

These numbers are slightly deceiving and do not, at first glance, convey the severity of the situation the City faced in this budget cycle. For instance, the total City revenue (before schools) appears to have slightly increased. Yet, a substantial amount of this total – \$4.2 million – is not net available revenue that could be used to avoid budget cuts as it was dedicated revenue obligated to specific services. The following revenue amounts are in the projections but are linked with increased expenditure requirements, meaning the total revenue available for discretionary use is overstated by the following amounts:

• State Social Services revenue for mandated programs	1,200,000
• Dedicated EXCEL revenues now received in the General Fund:	1,400,000
• Dedicated charges for services (EMS, Fishing Pier)	400,000
• Incremental 2+2 revenue dedicated to Convention Center	350,000
• Incremental Peninsula Town Center revenue to CDA	880,000
<b>TOTAL REVENUE WITH EXPENDITURE REQUIREMENTS</b>	<b>4,230,000</b>

While these revenues show up in the total revenue, they were not available for general uses. In essence, this means the City budget actually experienced a true loss of revenue not readily apparent when looking at the total budget. Additionally, the proposed budget includes approximately \$1.4 million of increased revenues associated with re-benchmarking existing user charges and the reintroduction of the boat tax/RV tax. Had these changes not been introduced, the City's operating budget would have shown a net loss instead of the minor increase depicted in total figures.

Moreover, the City faced large state budget cuts and losses in general property tax revenues. State budget cuts for the City totaled \$2,700,000 while real estate revenues were down \$3,000,000. State cuts occurred in areas – such as per diem funds for jails – that could not be cut by a like amount. Thus, these losses – coupled with the revenues not available for general city services – put extreme pressure on the budget.

The expenditure side of the question was equally challenging. Although revenues were down, certain expenditures continued to grow faster than inflation. City required VRS and health insurance increases are but two examples of expenses which needed to be absorbed in the upcoming budget. Lease payments for a new and much needed public safety radio system as well as some minor increases in debt service



were also required. As referenced above, there were certain areas of the budget – most notably Social Services – in which funds were made available but required corresponding increases in spending. We also began a phased effort to back away from full funding of the capital budget with one-time monies from fund balance (the City’s savings account). While some use of fund balance is used in the recommended budget, the amount is slightly reduced from past years. This is prudent as the fund balance in excess of policy is diminishing. We also thought it prudent to plan for mid-year budget cuts from the State. This practice has served us well as mid-year State budget cuts have become the rule rather than the exception.

In total, between revenue losses and expenditure pressures, the City faced a \$19 million shortfall that has been resolved largely with expenditure reductions. However, it must be noted that as large as the City budget shortfall was and as painful as the cuts have been, the School System faced even greater challenges. The actual revenue loss to the School System from state and federal funds was just over \$23 million. The independently elected School Board made decisions on how to handle the required cuts to cover these losses and the City Council adopts their budget as part of the City’s. However, when combined with the City losses of state revenue, it should be apparent that the State’s decision-making has had very real and deep impacts on the entire Hampton community.

All of this is in the way of noting that this budget was exceptionally difficult to manage. In my twenty years with the City, I have never seen a budget situation that was as challenging. And yet, as I read the regional, state and national news, I must also note that our community has weathered the recession better than most. Many cities and towns nationally are closing community centers, public libraries and other municipal facilities. Other communities are having to reduce the number of first-responders like police officers and firemen. While cuts to city services had to be made in this budget, we were able to avoid these types of truly draconian reductions.

Hampton is blessed to have several economic projects that are coming to fruition at this critical time – projects long-planned that will reap major dividends for the community and the budget. Indeed, new revenues from the Peninsula Town Center are included in this proposed budget. The meals, sales and admissions taxes paid at the Center were an instrumental factor in minimizing an even greater negative impact on city services. The Hampton University Proton Beam Institute is also scheduled to come on-line this year and will generate additional tax revenue in the future.

So while our challenges were – and remain – great, we should recognize and understand that the painful cuts we are enduring could have been much worse.

I am pleased that I am able to deliver a budget which I believe makes required reductions in the least damaging manner. This is not to say that the cuts are pain-free. On the contrary, all of the 78 permanent full-time positions that are recommended for elimination were warranted and would



have been funded were the City's economic position different. All of the operating budget cuts will be felt by departments as they struggle to carry on business as usual. There will be occasions when citizens may see a slight impact on service delivery. Certainly, there will be constituents who will bemoan the reduction of an important service to them. However, I believe we have protected the core services of the City to include police, fire, emergency management, infrastructure management, garbage collection, etc. Further, in the areas where we did cut, we were able to "keep a pilot light" on so that the service continues in some fashion and can benefit from reinvestment when the economy recovers.

I cannot overemphasize the importance of citizen input in this budget process. Over the last several months, we have conducted the most extensive budget outreach the City has ever undertaken with regard to the budget. We undertook this outreach because we understand that a budget should, as much as possible, reflect citizen values. While all of our services are important, we understood that cuts needed to be made; that any cut we would offer would be disappointing to some; and, as a result, we needed to have as clear an understanding as possible about the services residents most wanted preserved.

While there is not a perfect correlation between the input received from citizens and our final recommendations, the citizens' voices and thumbprints are embedded throughout. For instance, in addition to largely protecting police, fire and infrastructure management, this budget fully funds the public library system. While most departments took cuts in this process, we exempted the library as citizens spoke in near unanimity about the need to maintain funding levels for this critical service.

Youth prevention and early intervention services - were also held constant. While citizens valued these programs, we also opted to preserve them largely because of clear evaluative data that establishes that cuts in these efforts will result in larger long-term reactive services. We endeavored to not fall prey to the trap of being "penny wise and pound foolish" with regard to these important services.

Other services - as valued as they were - were identified as "wants" and not needs by citizens and thus sustained larger cuts. For instance, the History Museum budget is reduced by 20% - an amount that will be hard to manage but will be negotiated with the assistance of the Hampton History Museum Foundation. Special events programming - again valued by residents but seen as a "want" - is scaled back by 50%. The historical general fund subsidy of the Arts Commission and New American Theater was also eliminated.

These are but a few examples of how citizen input shaped the development of this budget. Others are highlighted below as we detail the various actions taken to close the \$19 million budgetary shortfall:

- **Reduction in outside contracts/agencies - \$780,000**

This budget continues and accelerates Council's past policy decision to back away from funding charitable organizations that do not directly relate to government agencies. We have



completely zeroed out funding for these agencies which had already been slated for loss of funding. (A 75% cut had been scheduled for this year but was accelerated due to extreme fiscal pressure.) Outside agencies which have a direct governmental connection (they provide services the City would otherwise have to provide and/or minimize our caseloads) have been level-funded. We have also reduced or eliminated funding to various other entities including the Sister Cities program, Peninsula Sports Commission, Hampton Roads Regional Jail and the Hampton Roads Military and Federal Facilities Alliance. In the case of the latter reduction, we believe City's commitment to funding a full-time military and federal facilities liaison is more critical and produces a bigger return for us. Together, these changes generated \$780,000 in savings.

- **Reduction or deferral of capital projects - \$3,600,000**

We opted to delay certain additional capital projects funding in cases where there were existing unexpended balances. Examples include but are not limited to the retail/shopping center revitalization program; neighborhood improvement funding; blighted property acquisition/demolition; and, strategic property acquisition.

- **Use of fund balance for one-time purchases/capital projects - \$4,400,000**

Due to past responsible financial planning, we were blessed to have close to \$8.7 million in excess fund balance over our already conservative 10% of budget requirement. This budget recommends \$4.4 million (\$1.2 million less than FY 2010), or about half of that excess balance, to cover one-time expenses in the budget. The bulk of the money will go to the capital budget for preplanned CIP projects. Other funds will be used to fulfill commitments made to the Food Bank, the Hall of Fame and the 2010 Celebration committee.

- **Employee Pay & Benefit Changes - \$800,000**

I am pleased we were able to avoid major changes to employee pay. This budget contains no reduction in salary for the general work force and no furlough days. There are some minor changes in health insurance co-pays and a minor health insurance premium increase which is shared 50-50 with employees. Original budget projections had assumed a larger premium increase. Also, through the offer of a one-time early retirement incentive, we were able to generate additional savings. Positions vacated through this retirement incentive will either be eliminated or replaced with new hires at the entry level of the pay range for the position. These changes will generate a combined savings of roughly \$800,000. There will be no general wage or merit pay increases this year. In a sign of unity and leadership, the department heads of the organization - along with me - have agreed to a voluntary one-time 2% salary reduction. This 2% reduction is equivalent to a whole week of pay.



### ■ Departmental/Service Mergers - \$975,000

Several mergers and consolidations are proposed in this budget. I strongly believe that these mergers position our organization and community for greater success at a reduced cost. While there will be some immediate pain in the accompanying loss of 23 permanent full-time positions, the new units should serve us well into the future. For instance, we are consolidating the management of the 911 and 311 operations. Other communities have developed an effective integration of the two systems while simultaneously recognizing the two distinctly different call-taking environments. I am confident we can do the same while minimizing overhead in the operations.

We are also consolidating all marketing functions currently dispersed in multiple departments into a central operation. Not only will this move save dollars but it will also allow us to better integrate our marketing and outreach efforts and enable us to continue the new, innovative outreach methods we have employed during budget development for other critical city projects.

All youth and families services currently dispersed in multiple city departments will be consolidated into one central operation. The Youth Commission and Teen Center from the Coalition for Youth; the InSync and Communities in Schools programs from the Neighborhood Office; and the after-school School Age Programs from the Recreation Division will be integrated with the Healthy Families Partnership into a new division of Youth, Education and Families under the larger Human Services umbrella. This integrated structure will allow us to offer a seamless approach to early intervention and prevention services for youth and families and will save money at the same time.

Another major restructuring is the integration of the Planning Department, Codes Compliance Department, Land Development Services Office and the Housing services component of the Neighborhood Department into a new consolidated department of Community Development. While this merger saves money as well, it is critically important to ensure that these services are effectively managed under one consolidated leadership structure. Past service delivery issues will be more effectively addressed with a streamlined command structure.

Last, but not least, I am very pleased to report that we will have one City-School System consolidation. This budget proposes the consolidation of the two organizations' cable television operations. This merger will both achieve financial savings and allow a shared governance board to better leverage our public education and government (PEG) channels for the maximum benefit of the community.

When totaled, these mergers collectively generated \$975,000 of savings.



- **Changing the Way We Do Business -- \$530,000**

A total of \$530,000 in savings – and 7 permanent full-time position eliminations – has been generated by a review of current operations. We will be contracting out some services which were previously done by permanent full-time staff (ex. state and federal government representation), transferring some administrative costs to the appropriate funds and creating administrative pools for clerical services.

- **Organization-wide changes – \$2,500,000**

\$2.5 million of savings was achieved by adopting some organization-wide changes such as making reductions for attrition and related benefit savings; reductions in transfers to other funds and indirect costs; reductions in non-departmental funds; and the suspension of the \$1 million contribution to Hampton University for technological research. Also included in these reductions is the elimination of the televised taping of the Holly Days Parade, which was deemed a nicety and not a necessity.

- **Reducing the number of administrative overhead and management positions – \$750,000**

A priority area for reducing the permanent full-time workforce was in administrative overhead and management positions. These types of jobs were targeted not because of a lack of importance but rather out of a desire to protect front-line employees and service delivery as much as possible. A total of 11 permanent full-time positions have been proposed for elimination in this category for a savings, excluding benefits, of \$750,000.

- **Reducing the number of administrative support positions -- \$290,000**

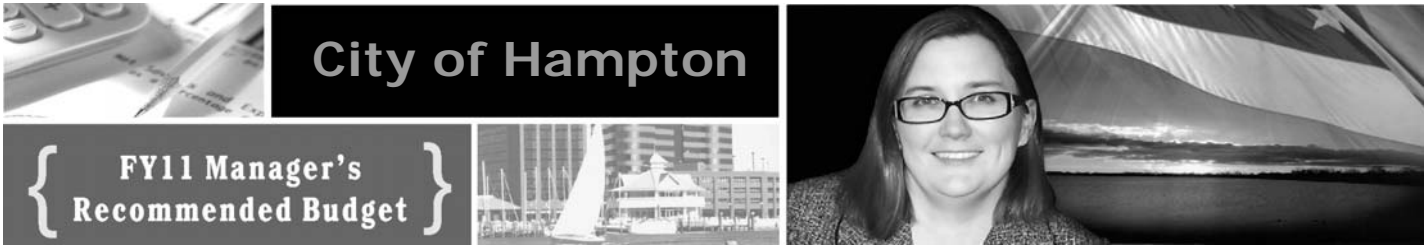
A total of 9 additional permanent full-time jobs are eliminated in this category for a savings, exclusive of benefits, of \$290,000. I reiterate that these positions, as well as those noted above, are being eliminated out of economic necessity and not because of a lack of importance to the organization. The elimination of these jobs will produce a greater workload for the remainder of the workforce. However, given our budgetary picture, these jobs were deemed to be of a lower priority than the ones which remain.

- **Elimination of vacant positions – \$675,000**

After reviewing management and administrative support positions, it was still necessary to reduce some additional positions in order to balance the budget. Our priority then became looking at vacant positions. Our desire here was to avoid layoffs and impacts to service delivery as much as possible. A total of \$675,000, exclusive of benefits, was saved through these changes.

- **Reduction of Operating Costs – \$830,000**

A total of just under \$830,000 was saved through a combined reduction of operating



funds throughout the City. Savings strategies included reductions in travel, office and operating supplies and available hours for WAE (when actually employed, part-time) staff.

■ **Service Eliminations/Reductions -- \$850,000**

After all of these changes, there were still some service reductions and/or eliminations that needed to be made to balance the budgetary shortfall. Most of these have already been detailed above. Additionally, we will streamline hours at our two aquatic centers, taking advantage of different peak demand times at Old Hampton Community Center and the Aquatics Center located in the Hamptons Golf Course and Teen Center complex. The Neighborhood Office programs will be merged with new units as noted above and scaled back in remaining areas such as capacity building. Extension Service programming, diversity operations and programming and some recreation programs have also been scaled back but not completely eliminated.

■ **Total Benefit Savings from position eliminations - \$1,000,000**

In addition to the salary savings listed above, which reflect a total of 78 permanent full-time positions, \$1 million in associated fringe benefit costs were saved.

■ **Increases in user fees and boat tax -- \$1,400,000**

Finally, we did include some minor changes in existing user fees and charges. Most of these related to specific services for which the existing fee was either not recouping the full cost of the service and/or out of alignment with regional localities existing rates. As an example, the after-school program is self-supporting and, even after the slight increase, we will continue to offer extremely affordable, quality programming for our students. Building permits, police services and various other parks & recreation fees were also adjusted. This budget does include for the first time a funeral escort fee for police services offered in conjunction with funerals. Hampton is one of the only cities that does not currently charge for this service. Additionally, this budget reintroduces the personal property tax on boats and recreational vehicles. The value of existing boats in our community and their impact to our larger tax base has been carefully evaluated. We believe a nominal rate of 30 cents will enable us to recover some of the costs associated with servicing the boater community (ex. police and fire boat services) while not setting an effective tax so large that boaters will feel forced to leave our community.

Altogether, these fourteen budgetary strategies generated just over \$19 million to close our budgetary gap. These strategies and funds have enabled us to give the community a balanced budget without a real estate or other major tax increase. The most challenging aspect of this budget is the impact on our work force. All of the people who happen to be in jobs we will cut are good, hard-working employees. The most painful part of these downsizing decisions is knowing that wonderful people who put their hearts and souls into their jobs each and every day get hurt. Let me assure you that



we will all do everything we can to help these employees make a smooth transition into new jobs and continued service.

As for the impacted employees, we will do all we can to place them into jobs for which they are qualified and interested. I am encouraged that, through our hiring freeze and retirement incentive, we already have 106 positions available to potentially place impacted employees into. By the time others complete their retirement decision-making, it is quite possible that there will be more than twice the number of open and available jobs than the number of impacted employees.

Nonetheless, the next few weeks and months will be very stressful for our employees. Even as they are placed into new positions, impacted employees will have major adjustments to make. I have reminded the entire work force that we need to support each other. I also assured employees that we will get through these tough times, especially if we all pull together. As I have said many, many times, we are a great team. We can address any challenge we face as long as we do it together.

In closing, as previously stated, this budget required cuts. I truly believe we have made those tough choices in the least damaging manner and in a way that is respectful of resident input. I want to publicly acknowledge and thank a wonderful group of department heads, assistant city managers and budget team for ensuring that this challenging budget accomplished these goals. I must also highlight a larger group of employees who helped me shepherd in a whole new level of civic engagement around the budget process. Our "I Value" campaign has been incredibly uplifting and insightful. To demonstrate the impact of the citizen comments on this budget in an even more overt way, you will find that this budget document features the names, voices and comments of our citizens. They have helped us to better illustrate for you that this budget is indeed a reflection of community values – that the budget is far more than numbers. Instead, it is the reflection of the things that matter most to our community. I trust the City Council and community will enjoy and appreciate these expressions as much as I do.

We look forward to working with each of you to better understand this budget and its impacts on our community and work force in the coming weeks. As always, we stand ready to assist you and the community.

Sincerely,

Mary B. Bunting  
City Manager





**City Council Amendments to the Manager's Recommended Budget  
Fiscal Year 2011**

**General Fund**

<b>Manager's Recommended FY 2011 Revenue Estimate</b>	<b>\$412,382,738</b>
<b>Amendments to FY 2011 Revenue Estimates:</b>	
<b>Decrease in Revenues:</b>	
Personal Property Tax Current - Boat Tax	(188,392)
Personal Property Tax Current - RV's Tax	(26,250)
<b>Increase in Revenues:</b>	
Revenues from Billboards	60,000
State Revenues for City/State Depts.:	
Sheriff Office	183,473
Commissioner of Revenue	6,778
Commonwealth's Attorney Office	56,194
City Treasurer	5,862
Clerk of Circuit Court	22,554
<b>Total Revenue Amendments</b>	<b>120,219</b>
<b>Total Council Approved Revenue Estimates</b>	<b>\$412,502,957</b>

<b>Manager's Recommended FY 2011 Expenditures</b>	<b>\$412,382,738</b>
<b>Amendments to FY 2011 Expenditures:</b>	
<b>Decrease Appropriations:</b>	
Contingency	(76,534)
Police Division - Elimination of two permanent full-time clerical position	(67,000)
PW-Engineering - Transfer of a one position to Community Development Dept.	(38,435)
Recreation Division - Special Events Transfer to Virginia Air & Space Center	(175,000)
Sheriff Jail - Reduction in salaries due to eliminated positions by Va. Compensation Board	(115,480)
<b>Increase Appropriations:</b>	
Community Development - Transfer of a position from PW-Engineering position	38,435
Community Development- Addition of Land Development Associate position	25,000
Community Development - Restore two Youth Planners (with FICA)	13,955
Marketing & Outreach - Additional Funding for Channel 47 Contract	25,000
Non-departmental - Holly Days Parade Broadcast	20,000
Organizational Support - VASC Special Events	175,000
Police - Restore the Captain & Major positions (with benefits)	205,178
PW-Drainage Maint. - Restore Entomologists Service Manager position (with benefits)	41,761
Recreation - Additional Funding for Special Events	22,700
Youth, Education & Family Services - Restore Youth Program Manager position (with benefits)	25,600
<b>Total Expenditure Amendments</b>	<b>120,180</b>
<b>Total Council Approved Expenditures</b>	<b>\$412,502,918</b>

**Stormwater Management Fund**

<b>Increase Revenues:</b>	
Appropriation from Retained Earnings	\$58,011
<b>Increase Appropriations:</b>	
Stormwater Drainage - Capital Outlay	\$58,011



# FISCAL YEAR 2011 FUNDING STRATEGIES USED TO BALANCE MANAGER'S BUDGET

The following information provides a snapshot of the strategies the City used to balance the Fiscal Year 2011 General Fund Budget. Strategies that impact the revenue side of the Budget include numerous fee increases and the use of Fund Balance to fund one-time items in the budget. The remaining strategies affects the expenditure side of the budget and results in reductions to the majority of the City departments' budgets along with savings generated from a retirement incentive program and changes to health insurance co-pays on the employees benefit side.

<b>1. Fee Increases (see Taxes and Fee Schedule for details)</b>		<b>\$ 1,413,232</b>
Assessment and Collections	545,457	
Police Services	293,239	
Parks and Recreation	474,536	
Building Permits	100,000	
<b>2. Use of Fund Balance for One-time Purchases/Projects</b>		<b>4,407,963</b>
Capital Budget	3,950,000	
One-time Operating Expenditures		
Food Bank Capital Contribution	200,000	
Hall of Fame	29,963	
2010 Celebration	228,000	
<b>3. Reduce Outside Contracts/Agencies</b>		<b>779,215</b>
Reduce Community Support Agencies beyond FY11 levels	55,198	
Eliminate funding to Hampton Roads Sports Commission	21,966	
Reduce funding to Regional Jail for additional beds	450,000	
Reduce funding to HR Military and Federal Facilities	36,051	
Reduce funding to Virginia Air & Space Center for Co-op Advertising	51,000	
Eliminate funding to Virginia Air & Space Center for Special Events	N/A	
(Net savings reflected under item number 9)		
Reduce HRHA Housing Venture Program	150,000	
Eliminate funding to Sister Cities	15,000	
<b>4. Organizational Wide</b>		<b>2,451,988</b>
Anticipated salary savings from vacant positions (Attrition)	1,000,000	
Risk Management to Absorb a portion of fixed costs	85,000	
Non-Departmental - eliminate Holly Days Parade Taping	20,000	
Non-Departmental - eliminate funding for guest speakers and recruiting	20,000	
Non-Departmental - eliminate HRHA indirect cost payments	50,000	
Non-Departmental - eliminate miscellaneous expenses	16,988	
Non-Departmental - DHCDC Bagley Building Lease	60,000	
Reduce Bass Pro Transfer	200,000	
Suspend funding to Hampton University for technological research	1,000,000	



## FISCAL YEAR 2011 FUNDING STRATEGIES USED TO BALANCE MANAGER'S BUDGET

<b>5. Reduction or deferral of capital projects</b>	<b>3,600,000</b>
<b>6. Employee Pay/Benefits Changes</b>	<b>809,601</b>
Health Insurance Premium increase reduction from 11% to 7%/ co-pay changes to bring final premium increase to 4.5%	409,601
Retirement Incentive Program	400,000
<b>7. Departmental/Service Mergers (23 PFT positions eliminated)</b>	<b>975,595</b>
Merge Planning, Codes and Property Services division of Neighborhoods into Community Development Department	283,260
Merge 911-311 Operations	229,640
Merge Channel 47 with School TV station (Net of amount being paid to schools)	60,642
Merge Marketing functions citywide	86,687
Merge School-age programs with Healthy Families	100,881
Merge Youth Commission and Teen Center with Healthy Families	214,485
Transfer of In-Sync and Communities in Schools Programs from Neighborhood Office to Youth and Families	N/A
<b>8. Change the Way We Do Business - (7 PFT positions eliminated)</b>	<b>533,927</b>
Create an Administrative Pool in Public Works Operations	104,104
HERS Retirement fund pays for one-half of an attorney's salary	39,250
Risk Management fund pays for one-half of an attorney position	45,133
Public Works Admin. - Transfer of PFT management analyst position to Solid Waste fund	64,771
Reduction in Finance and Procurement positions due workload efficiencies from updated financial software	72,108
Public Works Admin. - Transfer of one-half of safety position to Risk Management fund (other half of position already in Risk Mgt.)	23,148
Merge Delinquent Court Tax Collections with Treasurer	84,901
Contract out Intergovernmental Affairs service	100,512
<b>9. Service Eliminations/Reductions (9 PFT positions eliminated)</b>	<b>851,168</b>
Streamline hours of operations at Aquatics Centers	69,224
Eliminate outdoor recreation service and portable climbing wall	144,966
Reduce Recreation Fitness and Wellness Program	33,553
Reduce Hampton History Museum operations by 20 percent	77,369
Reduce General Fund Transfer to Arts Commission	101,946
Reduce Diversity operations and programming	25,000
Reduce Extension Service programming	40,743
Contract out Special Events and cut by 50%	177,928
Eliminate Capacity Building and Partnerships and Resources in Neighborhood Office	180,439



## FISCAL YEAR 2011 FUNDING STRATEGIES USED TO BALANCE MANAGER'S BUDGET

<b>10. Reduction in Administrative Overhead/Management Positions - (11 PFT'S)</b>	<b>752,499</b>
<b>11. Reduction in Administrative Support/Technical Positions - (9 PFT'S)</b>	<b>287,651</b>
<b>12. Elimination of Vacant Positions (19 PFT'S)</b>	<b>675,917</b>
<b>13. Reduction in Operating Costs (Includes funding for WAE positions, reductions in travel, office supplies, operating supplies, etc.)</b>	<b>824,509</b>
<b>14. Total Benefit Savings from position eliminations</b>	<b>1,023,895</b>
<b>Total Funding Strategies</b>	<b>\$ 19,387,160</b>

Departmental Mergers, Service Eliminations and Reductions Include:  
78.0 Permanent Full-time Positions Eliminated  
56 Filled  
22 Vacant

### Impact of Council's Amendments to Strategies

#### Changes in Revenues

Reduction in personal property tax revenues due to reduction in boat tax	(214,642)
Increase in various State revenues	274,861
Revenues from advertising	60,000

#### Changes in Appropriations

##### Reductions in Appropriations

Funds for Special Events contract moved to Virginia Air & Space Center	175,000
Reduction in Sheriff's budget due to State budget cuts	115,480
Reduction in Contingency	76,534

##### Increase in Appropriations

Special Events for Downtown to VASC - no longer contracted out	(175,000)
Additional funds to Recreation for special events	(22,700)
Addition of Entomologist position in Public Works	(32,625)
Additional funds for Channel 47 contract	(25,000)
Funding for Holly Days Parade	(20,000)
Funding for two youth planners (WAE'S)	(13,000)
Restoration of Youth Program Manager position	(20,000)
Restoration of sworn positions in Police Department netted against loss of one civilian positions	(93,295)
Restoration of Land Development Associate position	(25,000)
Benefit cost pertaining to positions added to budget	(60,613)

<b>Total Council Approved Amendments</b>	<b>\$ 19,387,160</b>
--	----------------------

74.0 Permanent Full-time Positions Eliminated  
52 Filled  
22 Vacant



## IMPACT ON DEPARTMENTS FROM STRATEGIES USED TO BALANCE THE BUDGET (by Business Teams)

Departments:	Savings from Position Eliminations	Operating Expenses/ Capital Outlay Savings	Total Savings	Position Eliminations & Transfers
<b>Constitutional Offices, Judicial &amp; Electoral Board</b>				
Commissioner of Revenue	84,901	7,188	92,089	1.0
City Sheriff and Jail	115,480		115,480	N/A
City Treasurer	46,714	48,000	94,714	1.0
Commonwealth's Attorney	10,000	17,500	27,500	0.0
Electoral Board	0	11,374	11,374	0.0
Voters' Registrar	0	8,174	8,174	0.0
<b>Total Constitutional Offices, Judicial &amp; Electoral Board</b>	<b>257,095</b>	<b>92,236</b>	<b>349,331</b>	<b>2.0</b>

N/A - Sheriff's staffing levels are established by the Virginia Sheriff's Association and approved by the State Compensation Board.

### Economic Vitality and Neighborhoods

Assessor of Real Estate	56,187	61,000	117,187	1.0
Community Development: *				
Codes Compliance	124,965	12,433	137,398	1.0
Planning Dept. ~ Neighborhood Division	140,439	40,000	180,439	3.5
Planning Dept. ~ Planning Division	196,497	0	196,497	3.0
Conventions and Visitors Bureau	41,036	220,000	261,036	1.0
Economic Development	155,232	127,791	283,023	2.0
<b>Total Economic Vitality</b>	<b>714,356</b>	<b>461,224</b>	<b>1,175,580</b>	<b>11.5</b>

\* New departments merging Codes Compliance Department, Planning Department, Land Development Services.

### Infrastructure

Parks & Recreation ~ Parks Division	\$250,755	\$0	\$250,755	7.0
Public Works ~ Administration <sup>(1)</sup>	87,919	0	87,919	1.5
Public Works ~ Engineering	84,848	14,900	99,748	2.0
Public Works ~ Drainage Maintenance	25,303	0	25,303	1.0



## IMPACT ON DEPARTMENTS FROM STRATEGIES USED TO BALANCE THE BUDGET (by Business Teams)

Departments:	Savings from Position Eliminations	Operating Expenses/ Capital Outlay Savings	Total Savings	Position Eliminations & Transfers
<b>Infrastructure (cont'd)</b>				
Public Works ~ Facilities	78,118	0	78,118	2.0
Public Works ~ Streets & Roads	41,900	0	41,900	1.0
Public Works ~ Traffic Engineering	79,465	20,000	99,465	1.0
<b>Total Infrastructure</b>	<b>648,308</b>	<b>34,900</b>	<b>683,208</b>	<b>15.5</b>
<b>Leisure Services</b>				
Hampton History Museum	\$0	\$77,198	\$77,198	0.0
Parks & Recreation ~ Recreation Division	439,525	49,809	489,334	11.0
<b>Total for Leisure Services</b>	<b>439,525</b>	<b>127,007</b>	<b>566,532</b>	<b>11.0</b>
<b>Public Safety</b>				
311 Call Center	133,254	0	133,254	2.0
Emergency 911	19,295	0	19,295	0.0
Fire & Rescue Division	212,995	0	212,995	4.0
Police ~ Animal Control	0	42,900	42,900	0.0
Police Division	402,504	27,000	429,504	8.0
<b>Total Public Safety</b>	<b>768,048</b>	<b>69,900</b>	<b>837,948</b>	<b>14.0</b>

<sup>(1)</sup> One PFT position will be transferred to the Solid Waste Fund and one-half PFT position will be transferred to Risk Management Fund.



## IMPACT ON DEPARTMENTS FROM STRATEGIES USED TO BALANCE THE BUDGET (by Business Teams)

Departments:	Savings from Position Eliminations	Operating Expenses/ Capital Outlay Savings	Total Savings	Position Eliminations & Transfers
<b>Quality Government</b>				
Budget & Management Analysis	0	7,953	7,953	0.0
Citizen Unity Commission	0	25,000	25,000	0.0
City Attorney <sup>(2)</sup>	\$163,085	\$0	\$163,085	1.5
City Manager	36,485	10,563	47,048	0.0
Finance and Consolidated Procurement <sup>(3)</sup>	154,947	10,000	164,947	5.0
Human Resources	70,038	15,000	85,038	2.0
Information Technology	207,467	0	207,467	4.0
Marketing & Outreach**	353,617	(156,136)	197,481	5.0
Municipal Council	0	7,500	7,500	0.0
<b>Total Quality Government</b>	<b>985,639</b>	<b>(80,120)</b>	<b>905,519</b>	<b>17.5</b>
<b>Youth and Families</b>				
Coalition for Youth and Teen Center*	174,485	59,080	233,565	2.0
Court Service Unit	0	50,000	50,000	0.0
Humans Services ~ Comprehensive Service Act	0	150,000	150,000	0.0
Virginia Cooperative Extension Services	40,743	0	40,743	1.0
<b>Total Youth and Families</b>	<b>215,228</b>	<b>259,080</b>	<b>474,308</b>	<b>3.0</b>
<b>Total Benefits Associated with Positions Eliminated</b>		<b>1,001,124</b>	<b>1,001,124</b>	
<b>Grand Total Savings</b>	<b>\$4,028,199</b>	<b>\$1,965,351</b>	<b>\$5,993,550</b>	<b>74.5</b>

<sup>(2)</sup> One-half of a PFT position will be funded by the Risk Management Fund.

<sup>(3)</sup> One PFT position will be transferred to the Health Benefits Fund.

\*\* Formerly known as Media & Community Relations

\* Effective July 1, 2010, the Teen Center will reside in the Youth Education and Family Services Department in the Youth and Families Business Team. Coalition for Youth will no longer exist; however, the Youth Civic Engagement portion will be a function of Youth Education and Family Services Department.

**City-wide Organizational Chart**

