



July 1, 2008

Honorable Mayor and City Council:

I am pleased to present the Fiscal Year (FY) 2009 Approved Budget, a financial roadmap for the City of Norfolk that totals \$1,191,069,537.

FY 2009 APPROVED BUDGET—ALL FUNDS	
BUDGET FUND	FY 2009 APPROVED AMOUNT
General Operating	\$ 827,280,300
Water Utility	\$ 77,917,000
Wastewater Utility	\$ 25,544,300
Storm Water Utility	\$ 10,825,500
Parking Facilities	\$ 21,013,600
Other Funds	\$ 43,778,400
Total Operating	\$1,006,359,100
Annual Capital Improvement Budget	\$ 176,049,310
Total Operating and Capital	\$1,182,408,410
Annual Consolidation Plan	\$ 8,661,127
Grand Total	\$1,191,069,537

The General Operating portion of the FY 2009 Approved Budget is approximately four percent greater than the FY 2008 Adopted Operating Budget. This net increase of approximately \$31 million is necessary to support core City functions as well as address the top concerns of the community: public safety, education, and infrastructure. While this four percent increase tracks the average inflationary increase for urban areas, almost half of the increase is associated with state and federal pass through funds and support for public education in general. For example, when the Norfolk Public School budget is removed from the City's budget, the overall general fund budget growth is a little more than three percent. Moreover, when general government services are taken into account, the overall budget growth is less than one percent.

FY 2009 Approved Budget

Our approach has been to start with the identification and reaffirmation of core services based on our municipal mission. Guided by this mission, we have aggressively reviewed budget proposals to assure we fund services at an adequate level to satisfy reasonable resident expectations. The FY 2009 Approved Budget for the City of Norfolk has been especially challenging to develop because of the expectations placed by residents that the City retain, and in some cases enhance, the services to the public while the City faces a struggling economy and slower revenue growth.

National and Virginia Economic Outlook

Federal

The current national economic situation made developing this year's budget particularly difficult. The national economy is facing slow growth, a struggling housing market, and increased prices for consumers, all of which have an impact on the City. In particular,

- Economic indicators suggest growth was stalled in the 4th quarter of 2007 and is projected to slow further in the first half of 2008;
- Consumer spending is at risk of declining due to slower job growth, lower income growth and higher energy prices;
- The housing market slowdown continues; and
- Although prime interest rates have been lowered, there have been slowdowns in consumer spending for big ticket items such as cars.

It is important to note that federal aid to the City has decreased in general. Federal school funds are projected to be level with FY 2008 amounts. Federal grants such as the Community Development Block Grant, which provide assistance to many of our local partners, have decreased significantly.

State

Due to the projection of a weaker economy in the next biennium, the state is estimating a combined \$1 billion shortfall in FY 2009 and FY 2010.

Consequently, the state is imposing reductions in aid to localities in the next biennium. Norfolk's share of ABC profits and wine tax (approximately \$280,000) will be eliminated in FY 2009. There will be at least a \$2,671,900 reduction in Norfolk's state aid from the state. These reductions are in addition to the 5 percent reduction in certain state aid to localities (law enforcement, libraries, and Port funding) imposed by the Governor in FY 2008. These reductions totaled approximately \$730,000 and will continue into FY 2009. The impact of all state reductions to the City's General Fund is at least \$3.6 million.

FY 2009 Approved Budget

With at least 40 percent of the City's General fund revenue coming from the Commonwealth, the majority of these funds earmarked for basic services, the City's ability to provide these services is dependent upon the health of the state economy.

Norfolk Economic Outlook

While the effects of the state and federal economies are certainly felt in Norfolk, the Hampton Roads region is faring better than other parts of the country. Forecasts by Old Dominion University and the Hampton Roads Planning District for the regional economy are stable. However, compared to 2007, lower growth in 2008 is predicted.

Norfolk's unemployment rate was stable in 2007 but remains higher than the statewide rate. Residential construction and the housing market in Norfolk appear to have peaked in 2005. Residential units permitted for construction, particularly multi-family units, and home sales continued to decline in 2007.

These trends have a direct relationship to City revenues. As housing sales slowdown, there is a concurrent reduction in sales tax from construction materials and reduced consumer spending in other areas. As a result of this slow revenue growth, City will have to make tough decisions about how to allocate its revenues in the coming fiscal year.

The effect of increasing cost of fuel and electricity, which has affected residents and businesses, has also been felt in Norfolk. After the Proposed Budget was presented, Dominion Virginia Power notified the City of a request to the State Corporation Commission for a rate increase, which was approved after the City Council passed the FY 2009 budget. Although the FY 2009 Approved Budget sets aside \$530,000 from resources identified during Council deliberations as a reserve to help with issues such as rising energy costs, these funds will not be sufficient to cover the increased energy costs; consequently, energy-related expenditures will need to be monitored throughout the course of the fiscal year.

REAL ESTATE TAX RATE

The real estate tax rate is unchanged and remains at \$1.11. Over the course of the last three years, the City reduced the tax rate by a total of 29 cents. With the exception of Virginia Beach, our 29-cent tax rate reduction was the most substantial among our neighboring Hampton Roads cities. At \$1.11, this is the lowest tax rate for the City of Norfolk in modern history.

As the housing market slows down, we are now beginning to see declining growth in the assessed value of our homes. Any further reduction in the tax rate will likely expand the

FY 2009 Approved Budget

gap between expenditure and revenues. This would create a very serious problem and City Council is being cautioned against such an action.

With the City Assessor's initial growth estimate for residential assessments of 3.17% (excluding new construction), the average residential assessment will increase by approximately \$79 for the year or \$6.58 per month at the current tax rate. Although this anticipated increase is smaller than the increases seen in the past four years, we recognize the impact this may have on our residents on fixed incomes who have been hit with rising energy and food prices.

The City will continue to set aside \$8.8 million in tax relief to our senior and disabled residents. The amount of relief provided by this program has increased substantially in the past five years – from \$2.8 million in FY 2004 to \$8.8 million projected for FY 2009.

Considerations about the City's growth in real estate assessments and tax rate should also take into account that nearly 40 percent of real property in the City is tax-exempt mainly due to federal land ownership. With the exception of Portsmouth, our percentage of non-taxable properties exceeds that of all the cities in Hampton Roads.

Other Fees and Charges

While the real estate tax rate is not decreased, the FY 2009 Approved Budget does not include increases to fees and charges for services. Although the Administration reviewed and seriously considered increasing fees (such as permit fees, planning fees, recreation fees, and waste management fees) given the nature of the economy and the inflationary increases that many families are witnessing, the FY 2009 Approved Budget does not include fee increases. One key fee under consideration was the Southeastern Public Service Authority (SPSA) tipping fee.

In FY 2009, SPSA will be charging a two tiered rate which will be \$104 for the first seven months of the fiscal year and \$80 for the remaining five months. SPSA's actions are intended to stabilize operations. However, given the recent volatility in the rate changes by SPSA, the Administration is not altering the fee structure at this time.

BUDGET BALANCING STRATEGIES

The Administration understands the challenges of appropriately allocating resources to essential programs and services during a period of declining growth in revenues. We undertook a diligent process of evaluating our core services and determining how the

City can maximize efficient spending. Among the budget balancing strategies, the following guided many decisions:

BUDGET BALANCING STRATEGIES

- ✦ Focus on protecting core City services for both the short and long term.
- ✦ Ensure that the Approved Budget decisions do not inflate or negatively impact future year budgets.
- ✦ Analyze all existing services and target service reductions to those areas least essential.
- ✦ Defer new programs and program expansions to only essential services that address community needs or stimulate the economy and offer better net present value alternatives.
- ✦ Consider alternative service delivery approaches.
- ✦ Focus on continuously improving employee productivity and operational business practices to ensure higher quality level of services.
- ✦ Reevaluate the funding schedules of capital projects to ensure “just-in-time” cash flows. In other words, each year allocate funds to a project at the appropriate level needed for that year.

Cost Containment Actions and Efficiency Savings

During a period of declining revenues, we developed the budget with the following two goals in mind: (1) maintaining funding for the City’s core services and (2) spending dollars in the most efficient way possible. To that end, we examined spending in all City departments and identified ways to contain costs and spend money more efficiently, all without negatively impacting City programs and services. These cost-containment actions will contribute to a balanced budget that keeps intact essential services such as public safety, education and infrastructure improvements.

First, departments were asked to absorb inflationary increases in rents, utilities and the cost of supplies in order to remain at level funding in the initial base budget. Second, many departments were asked to take targeted reductions of 1% to 1.5% of their total budget. These reductions, which are generally applied to non-personnel items such as office supplies and equipment, were expanded to all departmental operations. Through these actions, many departments only have minor increases in their budget and some departmental budgets even decreased. Third, we developed a position management plan to eliminate 25 non-public safety vacant positions.

FY 2009 Approved Budget

Department	Position	Number	Amount
City Attorney	Legal Secretary	1	\$29,808
City Manager	Staff Technician II	1	\$32,256
Cultural Facilities, Arts & Entertainment	Custodian	1	\$18,936
Human Services	Social Worker, Eligibility Worker, Child Facility Administrator	16	\$560,916
Libraries	Strategic Planning Manager	1	\$49,812
Neighborhood Preservation	Office Assistant	1	\$26,228
Planning	Senior Permit Specialist*	1	\$29,188
Recreation, Parks and Open Space	Office Aides – PT	3	\$36,120
Total		25	\$783,264

*Defunded but will be reviewed and may be reinstated if permit work increases.

In addition, a hiring freeze will be implemented during the first six months or until there is a savings of at least \$1 million. Fourth, most of the outside agencies who receive City funding will receive the same amount as last year with only a few receiving only minimal increases. Finally, the Administration is managing resources in the current fiscal year in an attempt to forward or “roll over” \$3 million to the next fiscal year in order to maximize our use of available funding sources.

Because of the hardship that hiring freezes place on remaining employees, the Approved Budget also includes \$200,000 for Excess Workload Bonuses (EWB). EWB’s are one time bonuses, not to exceed \$500 per employee, where it is shown that the employee covered the work of one or more frozen positions in a commendable manner so as to avoid a reduction in the service level during the period of the hiring freeze. Consideration for a bonus will be given only to non-sworn¹ employees and require a written recommendation from the employee’s supervisor, review and concurrence by the department head and approval by the City Manager (or her designee).

Approved Budget Funding Priorities

While this is an austere budget year, there are enhancements in the budget. This Budget is a resource allocation plan that is guided by the City’s six major priorities and maintains a conservative fiscal approach in a difficult economic period. Based on the results of the community survey and the City Council discussion, particular focus was given to **Education, Public Safety, and Neighborhoods.**

¹ Only non-sworn employees are eligible because only non-sworn positions are being frozen.

EDUCATION

In FY 2009, the City increases the local contribution to Norfolk Public Schools (NPS) by \$3.4 million bringing the total local contribution to \$104.5 million. Combined with \$12.1 million in new funds from the State and Federal governments and miscellaneous fees and earned interest, the NPS FY 2009 budget will exceed \$330 million. It is important to note that, although the City has not met the \$4.4 million increase originally submitted in the Superintendent's proposed budget, NPS has identified \$1.2 million in additional State funding. In light of this information, City Administration is of the opinion that the NPS local contribution is adequate to meet their needs.

In addition to the local contribution, the City supports NPS through the Capital Improvement Plan (CIP) and basic services such as landscaping, play equipment, athletic fields, property maintenance and facility support. The FY 2009 CIP includes \$5.1 million for a new conservation and energy savings project and \$500,000 to address facility needs throughout the system. Additionally, the City has reaffirmed its commitment to build a new Crossroads K-8 School, which, under the NPS revised request, will begin construction in FY 2010.

Also, NPS is encouraged to review facilities that no longer need to be in service where appropriate. It is recommended that the City Council consider taking any revenues resulting from the sale of unused inventory towards the capital needs of the school system.

PUBLIC SAFETY

One primary area of increased funding is in public safety. The Police Department, Fire-Rescue Department and the Norfolk Sheriff's Office will all receive additional funding for their staffs and operations to ensure sworn officers continue to be compensated fairly and the City provides the necessary level of services.

Police

The FY 2008 budget authorized 758 sworn General Fund positions of which the Department traditionally (over the last five years) has consistently had about 40+ vacancies. More recently, the Department's vacancies have grown to 60+. While expecting full employment is unrealistic, the City does need to reduce the number of vacancies. An analysis of the vacancies and turnover patterns reveal that the City is generally able to attract applicants. However, the retention of employees is more challenging. To address the vacancies, in addition to the 1 % GWI, the FY 2009 Approved Budget funds a multi-faceted Police Appointment and Retention Initiative.

FY 2009 Approved Budget

The FY 2009 budget includes \$750,000 for the following programs:

- Operation of one additional police recruit academy each year;
- Establishment of a new compensation plan that increases the starting pay for police recruits and adjusts the pay ranges;
- Elimination of certain steps in the pay plan to provide an approximate 5% adjustment at 5 and 10 years of service;
- Allows employees to become eligible for Master Police Officer at 4 years instead of 10, with certain training, education and performance requirements.

The cost of these changes will result in current police officers receiving close to 3% in addition to the GWI and step increases.

The Capital Budget includes the necessary funding to complete the Police Second Precinct. Design and preliminary engineering started on the new facility in FY 2007 and continued throughout FY 2008. In FY 2009, the CIP provides \$13.25 million, which will be enough money to complete the new state-of-the-art police precinct.

Fire - Rescue

The Fire Department will receive \$615,000 for a Medic Unit at Fire Station 12. Initial funding of the medic unit includes the one-time purchase of a Medium Duty Ambulance, protective equipment, and emergency medical supplies. Funding also provides for nine additional firefighter recruit positions. In addition, the budget includes funding to increase the starting pay for firefighter recruits to bring them level with neighboring cities. Adjustments will also be made to the Battalion Chief salary range to recognize the additional hours they are required to work.

The Capital Budget includes the necessary funding to continue to maintain Fire-Rescue facilities as the City begins the initial steps of embarking on a Fire-Rescue facility repair and replacement program.

Sheriff

The FY 2009 budget includes two actions that will enhance the operations of the Norfolk Sheriff's Office and allow the Sheriff to focus on managing the City Jail population. Sheriff's deputies will receive a \$1,000 salary increase in addition to the GWI and step increases, and increased funding for overtime will be provided in the Sheriff's budget. In addition, the City will take over the Pretrial Services program. The City already has a similar program, the Local Offender Treatment and Supervision Program (LOTS), which provides supervision for offenders sentenced to local probation. This streamlining effort

will free up staff and resources in the Sheriff's Office to be used in the City Jail and other service areas.

The Sheriff's Office currently sends several hundred inmates to the Regional Jail which results in added costs to the City. During the next year, the Sheriff proposes to return some of these inmates to Norfolk due to a decline in the jail population since 2005. These jail spaces are anticipated to be available as a result of more aggressive use of both electronic monitoring and Community Corrections that will release certain offenders for home supervision. To gain space for the regional jail inmates, the Sheriff will be releasing eligible inmates through the electronic ankle and bracelet program on a one for one basis.

INFRASTRUCTURE AND NEIGHBORHOODS

In the FY 2009 Approved Budget, the Administration provides funds for another top priority of our residents – infrastructure and neighborhoods. A series of initiatives are designed to promote both capital infrastructure and human infrastructure with a combined goal of improving our neighborhoods. These initiatives include the following:

Neighborhood Conservation and Redevelopment

The City typically provides funding to the Norfolk Redevelopment and Housing Authority (NRHA) to support its efforts to redevelop neighborhoods and provide affordable housing. This year, the City will increase the amount of assistance for a series of NRHA administered programs.

One key program is Neighborhood Conservation and Development. The FY 2009 Capital Budget provides for \$5 million in funds to be distributed among a number of neighborhood conservation areas. These areas have been adopted by the City Council and are administered by NRHA. Last year, the City provided \$4.5 million for conservation areas. This year's increase is due to additional planned activities in Campostella Heights, Willoughby, and Park Place.

Neighborhood Small Business Improvement Program

There are a number of neighborhoods throughout the City that have tremendous potential for business development. The Neighborhood Small Business Improvement Program is designed to provide incentives for property owners to improve and revitalize older and/or vacant commercial storefronts by providing matching funds for improvement. Rehabilitation activities will include façade improvements, landscaping, fencing, bike racks, interior window display lighting, and aesthetically-pleasing security systems in lieu of bars and gates.

Neighborhood Plans

Our four neighborhood plans are the culmination of many years of community planning to address blighted conditions and provide the necessary services and amenities that are present in other parts of our City.

Broad Creek – The Broad Creek neighborhood is becoming one of the premier neighborhoods in Norfolk, by creating a diverse mixed-income community tied together with public spaces and streets. The City continues to support the overall plan elements by providing \$2.0 million in funding for the Broad Creek Neighborhood Plan.

Fairmount Park – The Capital Budget provides \$2.05 million to support infrastructure improvements in Fairmount Park in addition to \$500,000 to support the Fairmount Park Neighborhood Plan.

Wards Corner – In the FY 2009 Capital Budget, there is \$2.1 million provided to continue the Wards Corner Neighborhood Plan, as well as \$450,000 to improve a major intersection in the Wards Corner neighborhood.

Southside – The FY 2009 Capital Budget includes \$1 million to support the Southside Neighborhood Plan as well as \$2.25 million for the Southside Indoor Aquatic Facility.

There are two other significant initiatives designed to enhance human capital. These initiatives will provide additional opportunities for our youth, families, and neighborhoods.

Additional Hours at Recreation Centers, Aquatics Centers, and Libraries

The FY 2009 Approved Budget focuses on providing youth with increased opportunities for positive development by extending the hours of recreation centers, aquatics centers, and libraries in their neighborhoods. In FY 2009, Berkley, Park Place, Huntersville, and

FY 2009 Approved Budget

East Ocean View recreation centers will be open on Friday and Saturday nights until 10:00 p.m. and on Sunday afternoon from 1:00 p.m. to 5:00 p.m. In addition, the Huntersville and Northside Park swimming pools will be open extended hours. All libraries will be open until at least 8:00 pm weekdays and until 5:00 pm on weekends.

Norfolk's Green Vision: Environmental Protection Initiative

In addition to the \$5.1 million allocated to Norfolk Public Schools to increase energy efficiency, the Capital Budget includes \$750,000 to improve energy efficiency in City buildings. To encourage communitywide energy savings, the Administration is also proposing a new effort to encourage residents to increase energy conservation in their homes. The City will dedicate \$250,000 to provide low flow toilet devices, energy efficient lights and other environmentally friendly aides to residents. Public awareness will also be increased through written information and public training programs.

As part of the City's energy initiative, we continue to recruit an individual to fill our newly authorized Environmental Protection Specialist. Among the efforts that will be pursued by this position will be the adoption of a resolution concurring with other cities and pledging to efforts regarding Climate Protection and air quality.

In addition, the City will be supporting in concept the new Environmental Action Center which is under preliminary planning stages.

PERSONNEL

Employees are our greatest assets. They are the reason that the City's services continue to be provided in some cases 24/7, 365 days a week. Continuing to support our employees and ensuring they receive competitive wages is an important goal, especially given rising prices that affect every household. The City Council approved a 1% General Wage Increase (GWI) and step increase of 2.5% for those employees who have not yet reached the top of their wage scales and have satisfactory performance. These increases will amount to \$4.1 million in the FY 2009 Approved Budget. While a 1% general wage increase may seem small, it will keep salaries at a competitive level. The City will continue compensating employees in other areas, such as the incremental step increase and healthcare supplements.

The estimated increase in healthcare costs is 10.6% over last year's contribution. This increase amounts to \$1.6 million. The City will be absorbing 100% of the increase, rather than passing along a portion of the increase to employees. This will help keep healthcare affordable for our employees, given current economic conditions and our modest wage

FY 2009 Approved Budget

increase. By absorbing 100% of the increase, the City is effectively giving all employees the equivalent of an additional 1% wage increase.

The City is also now required to comply with the new Governmental Accounting Standards Board (GASB) standard for Other Post Employment Benefits. This new standard requires that we account for and measure the liabilities of retiree healthcare similar to the accounting for our pension system. Although retirees now pay large premiums to participate in our health plan, the simple fact is that the premiums paid do not cover the cost of their medical claims. In FY 2008, the City began to set aside funding to be in compliance with GASB requirements. This amounted to funding of \$392,142. An additional \$1.5 million was added from the year end balance. The FY 2009 budget does not continue this funding as a result of budgetary limitations. However, the approved FY 2009 budget provides for a 2% adjustment in retiree benefits.

Capital Improvement Plan

The Capital Plan was particularly challenging due to the increasing costs of large projects and the desire to support as many projects as possible. At the beginning of the process, the proposed budget was \$30 million above the City's self-imposed limits. After refining our estimates, we were able to develop a manageable CIP plan for FY 2009, but some decisions will create challenges in future years. Critical to making this year's recommendations was the need to manage project cash flow. The FY 2009 plan includes shifting the Courthouse project funding to FY 2010, which should have no impact on the schedule of completion, and extending the time frame for funding the new Crossroads School based on the schools construction funding needs. By making this shift, the City has freed up immediate funding for more neighborhood projects, the completion of the Police Second Precinct and infrastructure improvements.

As a result, projects in the Five Year Capital Budget that have been approved either fulfill past commitments or address immediate needs. The plan is comprised of:

1. Projects currently underway ;
2. Projects committed to by the City Council in prior budget years;
3. Projects that represent community priorities as reinforced during this year's Town Hall meetings;
4. Projects that are a result of local, state, or federal mandates; and
5. Projects that enable the City to maintain existing assets.

ENTERPRISE AND SPECIALTY FUNDS

The City Budget contains a number of specialty funds which are restricted by statute in their use.

Water

The FY 2009 Approved Budget for the Water Fund is \$77,917,000. This is an \$897,500 decrease over the approved FY 2008 budget. This 1.1% decrease is due to unanticipated decreases in demand. The Water Fund approved budget of FY 2009 incorporates a gradual and predictable multi-year rate structure adopted by the City Council in 2003 aimed at maintaining the physical infrastructure and financial viability of the system. This adjustment results in a rate of \$3.61 per CCF.

Wastewater

The FY 2009 Approved Budget for the Wastewater Fund is \$25,544,300. This is a \$999,500 increase over the approved FY 2008 budget. The Wastewater Fund adjustment results in a rate of \$2.89 per CCF. The adjustment also incorporates the gradual and predictable multi-year rate structure adopted by the City Council in 2003 to support a multi-year wastewater system improvement plan intended to reduce failing pipes over a 10-year period.

Storm Water

The Approved Budget for FY 2009 is \$10,825,500. This represents a \$309,400 or 3% increase over the FY 2008 adopted budget. Factors attributable to the increase include health care, retirement, group life insurance and other related personnel costs.

Parking Fund

In FY 2009, the Parking Fund is budgeted at \$21,013,600. The City's parking system is a "stand alone" business in that it must pay its debts from the revenues it generates. No personal property taxes are used to fund parking garages.

Consolidated Plan

The Consolidated Plan, funded by the U.S. Department of Housing and Urban Development, provides Norfolk in FY 2009 with a total of \$8,661,127 in grant funds, which represents a 13 percent decrease from FY 2008.

The funds are provided through four entitlement programs: the Community Development Block Grant \$6,120,171, the HOME Investment Partnership \$2,294,714, the Emergency Shelter \$231,429; and the American Dream Down Payment Initiative \$14,813. Requests for funds from community organizations, NRHA, and other City departments were \$15,855,947, more than \$7,194,911 over available funding.

FY 2009 Approved Budget

One of the major initiatives funded by CDBG includes the City's efforts to provide housing for the homeless. Norfolk is continuing its efforts to assist the "poorest of the poor," our homeless population. The City is partnering with Virginia Beach and Portsmouth to build Single Room Occupancy apartments in Virginia Beach to house 12 Norfolk homeless individuals. Norfolk will be providing \$200,000 to assist with this project's construction costs.

Conclusion

We will continue to push to ensure that we are delivering our services as cost effectively as possible throughout the upcoming fiscal year. As part of an effort to improve "good governance," the City will initiate a managed competition program to thoroughly analyze select services each year. Departments will be required to allocate the true cost of an operation from top to bottom and the City will seek comparison with the private sector to determine the most cost-effective method of delivering the service. Potential services to be reviewed first include landscape maintenance, custodial and security services and cemetery management.

Also, the City Administration will convene a Budget Advisory Group to review City business practices and provide suggestions for how to achieve the following:

- An enhanced budget process in the areas of citizen outreach and communication;
- The identification of potential cost savings and cost avoidance in government business practices;
- Approaches for increasing service performance levels

The Advisory Group members will represent the perspectives of residents, the business community, employees and management and will meet between July and December.

In summary, the FY 2009 budget is presented having taken into account a slowing national, state and local economy which cannot produce the revenues needed to meet everyone's needs. While preserving our fiscal integrity, we have still been able to provide for the City's highest priorities: Public Safety, Schools and Neighborhoods. This budget represents a fiscal plan that ensures that the future needs of our residents can continue to be addressed without taking away the critical means by which we provide these services.

In closing, I want to thank the staff in the Office of Budget and Management who have worked tirelessly and Marcus Jones who has worn two hats as Acting Budget Director and Assistant City Manager. Also, the Executive Staff and all the City employees have been understanding; supported making difficult decisions and continued their commitment to public service.

FY 2009 Approved Budget

It is my pleasure to present to you the City of Norfolk's Approved Fiscal Year 2009 Budget.

Respectfully submitted,

A handwritten signature in cursive script that reads "Regina V.K. Williams". The signature is written in black ink and is positioned above the printed name.

Regina V.K. Williams
City Manager