
Enterprise Funds



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ENTERPRISE FUND SUMMARY

	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Revenues			
Permits and Fees	1,501,372	1,409,300	666,100
Fines and Forfeitures	2,607,036	2,378,000	2,000,000
Use of Money and Property	659,861	365,000	340,000
Charges for Services	124,105,918	124,284,716	126,504,351
Miscellaneous Revenue	108,016	135,000	135,000
Recovered Costs	4,240,775	1,341,600	1,341,600
Other Sources and Transfers In	0	1,440,761	2,709,656
Totals	133,222,978	131,354,377	133,696,707

	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Expenditures			
Personnel Services	26,781,619	26,968,823	27,114,222
Materials, Supplies and Repairs	15,399,428	16,389,392	15,569,037
Contractual Services	15,543,588	15,090,555	15,176,658
Equipment	730,118	883,227	869,947
Department Specific Appropriation	9,313,310	15,014,694	17,443,481
Debt Service/Transfers to CIP	25,188,690	57,007,686	57,523,362
Total	92,956,753	131,354,377	133,696,707

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UTILITIES

MISSION STATEMENT

The mission of the Department of Utilities is to enhance quality of life by providing excellent and sustainable water and wastewater services at the best possible value to our customers.

DEPARTMENT OVERVIEW

The Department of Utilities is responsible for the operation of two enterprise funds, the Water Fund and the Wastewater Fund. The department, which is comprised of eight divisions, is organized as follows:

Water Production: Responsible for the operation and maintenance of the water treatment plants and finished water storage facilities; maintains raw and finished water pump stations and raw water transmission mains; and manages city owned reservoirs and adjacent watershed properties.

Water Quality: Ensure the provision of high quality, safe, clean drinking water through compliance monitoring, testing, analysis, and backflow prevention.

Wastewater: Maintain and operate the sanitary sewer system that takes wastewater away from Norfolk homes, businesses, and facilities, and conveys it to treatment plants that are operated by the Hampton Roads Sanitation District (HRSD).

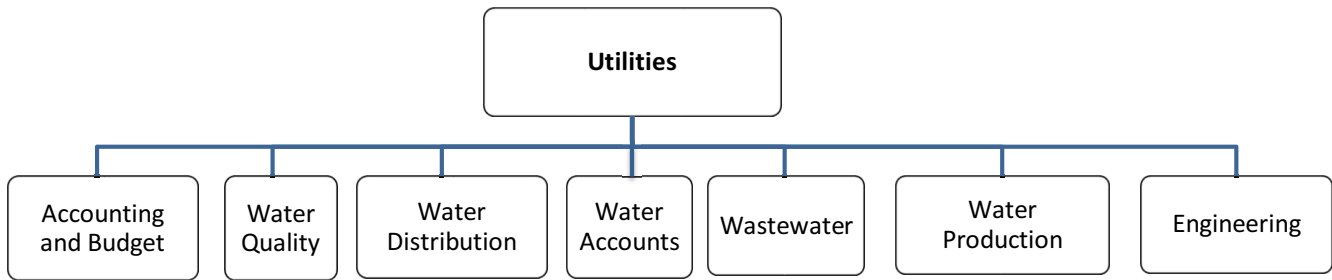
Water Distribution: Responsible for the maintenance and operation of over 800 miles of water mains. Repairs, replaces and installs fire hydrants, meters and valves and detects and repairs leaks in the distribution system. Provides routine flushing of water mains and the installation of service main extensions.

Water Accounts: Provide billing, collections, and response to users of Norfolk's utility system.

Engineering: Plan, design, and manage water and sewer system improvements and expansions. Responsible for overall construction oversight and project management. Prevents damage to water and sewer infrastructure by marking underground utilities. Manages the department's Capital Improvement Program and documentation for the maintenance and construction of the city's water and wastewater infrastructure.

Accounting and Budget: Responsible for the administration of the department's finance and accounting operations including the budget, accounts payable, payroll, financial reporting, contract compliance, bond issuance, capital project financing and rate setting.

Director's Office: Provides administrative, leadership and management services to the department. Provides support services such as: human resources; public relations; communications; performance tracking; grants administration; and legislative review.



ACTIONS TO ACHIEVE LONG-TERM GOALS AND SHORT-TERM OBJECTIVES

The City of Norfolk Department of Utilities is a premier service provider that meets our customers' needs for affordable, dependable, and high quality drinking water and wastewater services. The department primarily supports the Priority Areas of Safe, Healthy and Inclusive Communities, Economic Vitality and Workforce Development, Environmental Sustainability, and Well-Managed Government. Actions in place to achieve these long term goals include:

Actions	Status
Track current and future water demand projections at the water treatment plants and monitor per-capita water consumption region wide to support the economic vitality and quality of life.	Met
Survey the water distribution system for leaks and replace problematic and aging water mains to maintain and improve the water distribution system to provide safe healthy drinking water to customers.	Met
Cleaning ten percent of the wastewater collection system piping per year to provide environmentally friendly and dependable services to citizens and businesses.	Met
Produce high quality drinking water by maintaining 100 percent compliance with the Safe Drinking Water Act and by inspecting water resources properties and facilities.	Met

PERFORMANCE MEASURES

Demonstrating progress toward achieving long-term goals and short-term objectives.

Priority: Economic Vitality and Workforce Development					
Goal					
Diversify and strengthen Norfolk's economic base					
Objective					
Expand, attract, and retain businesses within Norfolk					
Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved	Change
Meet or exceed minimum cleaning target (linear feet) of wastewater system annually	1,293,191	1,368,566	1,200,000	1,200,000	0

Priority: Safe, Healthy, and Inclusive Communities

Goal

Create a culture that promotes health, engages in prevention, and supports the economic and social well being of individuals and families through the provision of an array of programs and services

Objective

Ensure a sufficient supply of safe drinking water that meets customer's needs, provides fire protection, and promotes economic growth

Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved	Change
Maintain average daily amount of drinking water for all retail and wholesale customer needs (in million gallons per day - MGD)	59	58	62	62	0

Priority: Safe, Healthy, and Inclusive Communities

Goal

Enhance the vitality of Norfolk's neighborhoods

Objective

Maintain the integrity of the water distribution system by staying under the national median rate of 37.8 water main breaks per 100 miles of water distribution system piping

Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved	Change
Maintain water distribution system integrity rate (lower value indicates better system condition)	19	28	29	29	0

REVENUE SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Permits and Fees	\$1,352,279	\$1,404,372	\$1,359,300	\$583,100
Use of Money and Property	\$398,461	\$235,675	\$260,000	\$260,000
Charges for Services	\$79,567,656	\$79,151,419	\$78,284,000	\$80,559,069
Miscellaneous Revenue	\$209,066	\$107,787	\$135,000	\$135,000
Recovered Costs	\$1,753,208	\$4,040,877	\$1,338,000	\$1,338,000
Other Sources and Transfers In	\$25,397	\$0	\$5,400	\$5,400
Federal Aid	\$97,793	\$0	\$0	\$0
Total	\$83,403,860	\$84,940,130	\$81,381,700	\$82,880,569

Actual amounts represent collections, not appropriation authority.

EXPENDITURE SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Personnel Services	\$16,954,568	\$17,300,550	\$17,755,412	\$17,908,751
Materials, Supplies and Repairs	\$10,972,487	\$11,088,611	\$11,320,504	\$11,020,790
Contractual Services	\$9,460,682	\$8,916,500	\$9,088,672	\$8,928,969
Equipment	\$526,692	\$396,512	\$365,726	\$364,846
Department Specific Appropriation	\$7,961,703	\$7,805,988	\$12,798,345	\$14,812,713
Debt Service/Transfers to CIP	\$22,91,973	\$23,448,394	\$30,053,041	\$29,844,500
Total	\$68,787,105	\$68,956,555	\$81,381,700	\$82,880,569

APPROVED FY 2016 BUDGET ACTIONS

- **Implement phase II of ARMD compensation strategy** **FY 2016: \$181,188** **FTE: 0**

Implement phase II of the three-year compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) Initiative. FY 2016 includes: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a \$400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions will be effective January 2016.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Reduce discretionary expenditures** **FY 2016: (\$579,623)** **FTE: 0**

Capture reengineering savings through utilization of temporary services by reducing professional services, curtailing power usage, utilizing electronic distribution, and establish technological improvements. This action maintains or improves the efficiency and effectiveness of service delivery.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust operational expenses** **FY 2016: \$2,032,660** **FTE: 0**

Routine technical adjustment for operational expenses which occurs annually. These expenses may include indirect costs, (if applicable), payment in lieu of taxes, and material and supplies for essential operations.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Adjust financial management software cost** **FY 2016: (\$13,382)** **FTE: 0**

Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city uses to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across all financial transactions, tracks, and controls funds, and interfaces with the performance budget system.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Adjust debt service payments** **FY 2016: (\$208,541) FTE: 0**

Technical adjustment to support annual debt service payments for water related capital improvement projects.

Priority Area(s) Met: Well-Managed Government

• **Adjust costs for Fleet expenditures** **FY 2016: (\$90,752) FTE: 0**

Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

• **Transfer a portion of printing costs** **FY 2016: \$4,168 FTE: 0**

Distribute a portion of printing costs associated with the use of multifunction printers and other devices included in the city's printing contract. In the previous calendar year, the city produced 18.5 million black and white pages and 7.2 million color pages. Currently, it costs 12 times more to print in color than in black and white. This transfer allows departments to manage the printing of color versus black and white documents. This transfer also begins to place printing costs within departments to better reflect where expenditures occur.

Priority Area(s) Met: Well-Managed Government

• **Annualize phase I of ARMD compensation strategy** **FY 2016: \$142,871 FTE: 0**

Technical adjustment to annualize ARMD Phase I compensation actions that occurred in January 2015. The Approved FY 2015 Budget included funds for: a two percent increase for general and constitutional officer employees; a step increase for sworn employees; a living wage adjustment; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

• **Adjust required contribution for city retirement** **FY 2016: (\$450,784) FTE: 0**

Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will decrease in FY 2016 from 21.45 percent to 17.51 percent. Costs are distributed based on each department's NERS eligible payroll.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

• **Adjust costs for salaries due to retirement conversion** **FY 2016: \$469,675 FTE: 0**

Technical adjustment to update the funding needed to support employee salaries due to the FY 2015 retirement conversion. Prior to January 2015, a majority of city employees did not contribute to NERS. This conversion increased the salaries of non-contributing employees by at least five percent but also required an ongoing five percent employee retirement contribution to NERS.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

- **Eliminate service charge to residents** **FY 2016: \$0 FTE: 0**

Pass on savings to residents for the \$1.00 service charge for the monthly utility billing services. With the increased use of electronic billing (ebills) and remittance options, the department was able to renegotiate lower rates for monthly billing services. The funds used for this service are no longer needed, and are savings to the utility customers. This savings is an annual revenue reduction for Utilities of \$776,500.

Priority Area(s) Met: Well-Managed Government

- **Update personnel expenditures** **FY 2016: \$11,389 FTE: -1**

Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, and reorganization efforts. This adjustment reflects the corresponding funds needed in FY 2016 for these actions. The adjustment also reflects updated healthcare costs which include an overall premium increase and an update based on enrollment. The update also includes the transfer of a Water Chemist to the Wastewater Fund during FY 2015. These are routine actions which occur at the beginning of the budget cycle.

Water **Total: \$1,498,869 FTE: -1**

FULL TIME EQUIVALENT (FTE) SUMMARY

	Pay Grade	Minimum	Maximum	FY 2015 Approved	FTE Change	FY 2016 Approved
Accountant I	1 10	\$36,605	\$58,520	1	1	2
Accountant II	1 12	\$43,470	\$69,500	1	0	1
Accountant IV	1 14	\$51,000	\$82,700	0	1	1
Accounting Manager	1 16	\$58,970	\$94,260	1	0	1
Accounting Technician	1 06	\$26,900	\$43,000	21.5	-2	19.5
Administrative Assistant I	1 09	\$33,770	\$53,980	1	1	2
Administrative Assistant II	1 10	\$36,605	\$58,520	2	1	3
Applications Development Team Supervisor	1 16	\$58,970	\$94,260	1	0	1
Assistant City Engineer	1 19	\$71,500	\$114,000	1	0	1
Assistant Director	1 21	\$79,375	\$129,500	2	0	2
Assistant Superintendent of Utility Division	1 16	\$58,970	\$94,260	4	0	4
Automotive Mechanic	1 10	\$36,605	\$58,520	1	0	1
Business Manager	1 13	\$46,885	\$74,950	1	0	1
Chief of Construction Operations	1 16	\$58,970	\$94,260	1	0	1
Chief Waterworks Operator	1 13	\$46,885	\$74,950	8	0	8
Civil Engineer I	1 13	\$46,885	\$74,950	3	0	3
Civil Engineer II	1 14	\$51,000	\$82,700	4	-1	3
Civil Engineer III	1 15	\$55,210	\$88,500	2	1	3
Civil Engineer IV	1 16	\$58,970	\$94,260	1.8	0	1.8
Civil Engineer V	1 17	\$63,000	\$100,800	1	0	1
Collection Coordinator	1 11	\$40,005	\$64,000	2	0	2
Construction Inspector I	1 08	\$31,180	\$49,850	6	-2	4

FULL TIME EQUIVALENT (FTE) SUMMARY

	Pay Grade	Minimum	Maximum	FY 2015 Approved	FTE Change	FY 2016 Approved
Construction Inspector II	1 11	\$40,005	\$64,000	5	1	6
Construction Inspector III	1 12	\$43,470	\$69,500	2	0	2
Contract Monitoring Specialist	1 11	\$40,005	\$64,000	1	0	1
Crew Leader I	1 08	\$31,180	\$49,850	11	0	11
Cross-Connection Specialist	1 08	\$31,180	\$49,850	2	0	2
Customer Service Manager	1 18	\$67,350	\$107,670	1	0	1
Director of Utilities	1 24	\$92,800	\$156,000	1	0	1
Electrician III	1 10	\$36,605	\$58,520	3	0	3
Electronics Technician II	1 10	\$36,605	\$58,520	4	0	4
Engineering Aide	1 04	\$22,875	\$36,570	2	-1	1
Engineering Manager	1 20	\$76,000	\$121,500	1	0	1
Engineering Technician I	1 09	\$33,770	\$53,980	7	-1	6
Engineering Technician II	1 10	\$36,605	\$58,520	4	0	4
Engineering Technician III	1 11	\$40,005	\$64,000	1	0	1
Engineering Technician IV	1 12	\$43,470	\$69,500	1	0	1
Enterprise Controller	1 16	\$58,970	\$94,260	1	0	1
Equipment Operator II	1 06	\$26,900	\$43,000	12	0	12
Equipment Operator III	1 07	\$28,815	\$46,100	9	0	9
Financial Operations Manager	1 15	\$55,210	\$88,500	1	0	1
General Utility Maintenance Supervisor	1 14	\$51,000	\$82,700	9	-1	8
Geographic Information Systems Technician II	1 11	\$40,005	\$64,000	0	1	1
Maintenance Supervisor II	1 12	\$43,470	\$69,500	1	0	1
Maintenance Worker I	1 03	\$21,222	\$33,930	6	0	6
Maintenance Worker II	1 04	\$22,875	\$36,570	25	2	27
Management Analyst I	1 11	\$40,005	\$64,000	1	0	1
Management Services Administrator	1 18	\$67,350	\$107,670	1	0	1
Manager of Budget & Accounting	1 18	\$67,350	\$107,670	1	0	1
Messenger/Driver	1 02	\$19,705	\$31,505	1	0	1
Office Assistant	1 03	\$21,222	\$33,930	1	-1	0
Personnel Specialist	1 11	\$40,005	\$64,000	1	0	1
Programmer/Analyst III	1 13	\$46,885	\$74,950	1	0	1
Programmer/Analyst IV	1 14	\$51,000	\$82,700	2	0	2
Programmer/Analyst V	1 15	\$55,210	\$88,500	1	0	1
Programs Manager	1 15	\$55,210	\$88,500	0	1	1
Project Coordinator	1 13	\$46,885	\$74,950	1	0	1
Public Information Specialist II	1 11	\$40,005	\$64,000	1	0	1
Reservoir Manager	1 12	\$43,470	\$69,500	1	0	1
Safety Specialist	1 11	\$40,005	\$64,000	1	0	1

FULL TIME EQUIVALENT (FTE) SUMMARY

	Pay Grade	Minimum	Maximum	FY 2015 Approved	FTE Change	FY 2016 Approved
Senior Utility Maintenance Supervisor	1 13	\$46,885	\$74,950	6	0	6
Senior Water Chemist	1 12	\$43,470	\$69,500	3	0	3
Staff Technician II	1 09	\$33,770	\$53,980	3	0	3
Storekeeper I	1 04	\$22,875	\$36,570	1	0	1
Storekeeper II	1 06	\$26,900	\$43,000	2	0	2
Storekeeper III	1 08	\$31,180	\$49,850	2	0	2
Support Technician	1 05	\$24,685	\$39,500	3	0	3
Utility Construction Inspector	1 10	\$36,605	\$58,520	1	0	1
Utility Maintenance Mechanic I	1 06	\$26,900	\$43,000	28	0	28
Utility Maintenance Mechanic II	1 08	\$31,180	\$49,850	3	0	3
Utility Maintenance Supervisor	1 10	\$36,605	\$58,520	12	-2	10
Utility Operations Manager	1 19	\$71,500	\$114,000	1	0	1
Water Chemist	1 11	\$40,005	\$64,000	4	-1	3
Water Production Manager	1 19	\$71,500	\$114,000	1	0	1
Water Quality Manager	1 17	\$63,000	\$100,800	2	0	2
Water Treatment Plant Maintenance Technician	1 07	\$28,815	\$46,100	13	0	13
Water Treatment Supervisor	1 15	\$55,210	\$88,500	2	0	2
Waterworks Operator I	1 07	\$28,815	\$46,100	2	4	6
Waterworks Operator II	1 09	\$33,770	\$53,980	3	-2	1
Waterworks Operator III	1 10	\$36,605	\$58,520	3	-3	0
Waterworks Operator IV	1 11	\$33,770	\$64,000	7	2	9
Total				292.3	-1	291.3

WASTEWATER

REVENUE SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Permits and Fees	\$88,750	\$97,000	\$50,000	\$50,000
Use of Money and Property	\$60,711	\$35,426	\$30,000	\$30,000
Charges for Services	\$25,312,396	\$27,258,137	\$28,141,000	\$29,335,892
Recovered Costs	\$168,654	\$271,942	\$3,600	\$3,600
Other Sources and Transfers In	\$1,756	\$0	\$2,000	\$2,000
Federal Aid	\$15,839	\$0	\$0	\$0
Total	\$25,648,106	\$27,662,505	\$28,226,600	\$29,421,492

Actual amounts represent collections, not appropriation authority.

EXPENDITURE SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Personnel Services	\$5,586,764	\$5,687,764	\$5,490,697	\$5,647,699
Materials, Supplies and Repairs	\$3,238,060	\$2,741,849	\$3,139,713	\$2,874,412
Contractual Services	\$2,248,605	\$2,084,322	\$1,981,001	\$2,020,312
Equipment	\$323,064	\$305,574	\$388,101	\$384,101
Department Specific Appropriation	\$1,500,000	\$1,500,000	\$2,216,349	\$2,630,768
Debt Service/Transfers to CIP	\$12,598,888	\$17,192,430	\$15,010,739	\$15,864,200
Total	\$25,495,381	\$25,488,966	\$28,226,600	\$29,421,492

APPROVED FY 2016 BUDGET ACTIONS

- **Implement phase II of ARMD compensation strategy** **FY 2016: \$64,532** **FTE: 0**

Implement phase II of the three-year compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) Initiative. FY 2016 includes: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a \$400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions will be effective January 2016.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

- **Reduce discretionary expenditures** **FY 2016: (\$150,450)** **FTE: 0**

Capture reengineering savings through utilization of temporary services by reducing professional services, hiring an electrician to perform in house repairs to pump stations, and neighborhood root control. This action maintains or improves the efficiency and effectiveness of service delivery.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Adjust operational expenses** **FY 2016: \$481,844** **FTE: 0**

Routine technical adjustment for operational expenses which occurs annually. These expenses may include indirect costs, (if applicable), payment in lieu of taxes, and material and supplies for essential operations.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Adjust debt service payments** **FY 2016: \$853,461** **FTE: 0**

Technical adjustment to support annual debt service payments for wastewater related capital improvement projects.

Priority Area(s) Met: Well-Managed Government

• **Adjust costs for Fleet expenditures** **FY 2016: (\$77,585)** **FTE: 0**

Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Adjust financial management software cost** **FY 2016: (\$22,191)** **FTE: 0**

Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city uses to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across all financial transactions, tracks, and controls funds, and interfaces with the performance budget system.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Annualize phase I of ARMD compensation strategy** **FY 2016: \$39,937** **FTE: 0**

Technical adjustment to annualize ARMD Phase I compensation actions that occurred in January 2015. The Approved FY 2015 Budget included funds for: a two percent increase for general and constitutional officer employees; a step increase for sworn employees; a living wage adjustment; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Adjust required contribution for retirement** **FY 2016: (\$136,832)** **FTE: 0**

Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will decrease in FY 2016 from 21.45 percent to 17.51 percent. Costs are distributed based on each department's NERS eligible payroll.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Adjust costs for salaries due to retirement conversion** **FY 2016: \$144,007** **FTE: 0**

Technical adjustment to update the funding needed to support employee salaries due to the FY 2015 retirement conversion. Prior to January 2015, a majority of city employees did not contribute to NERS. This conversion increased the salaries of non-contributing employees by at least five percent but also required an ongoing five percent employee retirement contribution to NERS.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Update personnel expenditures**

FY 2016: (\$1,831) FTE: 2

Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, and reorganization efforts. This adjustment reflects the corresponding funds needed in FY 2016 for these actions. The adjustment also reflects updated healthcare costs which include an overall premium increase and an update based on enrollment. The update also includes the addition of a Maintenance Worker II and the transfer of a Water Chemist from the Water Fund during FY 2015. These are routine actions which occur at the beginning of the budget cycle.

Wastewater

Total: \$1,194,892 FTE: 2

FULL TIME EQUIVALENT (FTE) SUMMARY

	Pay Grade	Minimum	Maximum	FY 2015 Approved	FTE Change	FY 2016 Approved
Accounting Technician	1 06	\$26,900	\$43,000	3	0	3
Assistant Superintendent of Utility Division	1 16	\$58,970	\$94,260	1	1	2
Crew Leader I	1 08	\$31,180	\$49,850	15	0	15
Electrician IV	1 11	\$40,005	\$64,000	1	0	1
Engineering Technician I	1 09	\$33,770	\$53,980	3	0	3
Environmental Specialist II	1 11	\$40,005	\$64,000	1	0	1
Equipment Operator II	1 06	\$26,900	\$43,000	6	0	6
Equipment Operator III	1 07	\$28,815	\$46,100	19	0	19
General Utility Maintenance Supervisor	1 14	\$51,000	\$82,700	2	0	2
Maintenance Worker I	1 03	\$21,222	\$33,930	3	0	3
Maintenance Worker II	1 04	\$22,875	\$36,570	26	1	27
Senior Custodian	1 04	\$22,875	\$36,570	1	0	1
Senior Utility Maintenance Supervisor	1 13	\$46,885	\$74,950	5	0	5
Utility Maintenance Mechanic I	1 06	\$26,900	\$43,000	7	0	7
Utility Maintenance Supervisor	1 10	\$36,605	\$58,520	11	-1	10
Water Chemist	1 11	\$40,005	\$64,000	0	1	1
Total				104	2	106

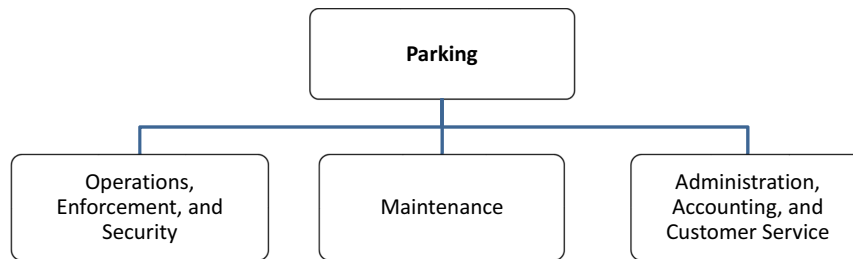
PARKING FACILITIES FUND

MISSION STATEMENT

The Division of Parking is dedicated to excellence in providing safe, convenient and affordable parking services to the residents, visitors, and businesses in Norfolk.

DEPARTMENT OVERVIEW

The City of Norfolk's Parking Division operates and maintains one of the largest municipally owned parking systems in the country while meeting the parking needs of downtown workers, residents, students, shoppers, and tourists. This includes over 20,000 public parking spaces located in 15 garages, nine lots and over 600 on-street spaces. Safe, convenient and affordable parking is provided to all patrons through the efficient management of the city's parking resources. The Parking Facilities Fund is part of the Department of General Services.



ACTIONS TO ACHIEVE LONG-TERM GOALS AND SHORT-TERM OBJECTIVES

The Parking Facilities Fund primarily supports the priority areas of Economic Vitality and Workforce Development and Well-Managed Government. Parking's long-term goals are achieved by strong financial management, available parking assets, for example, garages and lots and innovative customer programs.

Actions	Status
Enhance process to collect delinquent parking tickets.	Improved
Provide additional user-friendly payment options for on-street parking.	Improved
Automate parking garage payment systems to reduce operating costs.	Met
Convert garage lighting to brighter, more efficient and cost effective LED lighting.	Improved

PERFORMANCE MEASURES

Demonstrating progress toward achieving long-term goals and short-term objectives.

Priority: Economic Vitality and Workforce Development

Goal

Diversify and strengthen Norfolk's economic base

Objective

Promote strong financial management by ensuring revenue is maximized in order to meet all operating obligations

Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved	Change
Increase the percent of fines collected to maximize on-street parking	85	101	90	100	10

Objective

Expand, attract and retain businesses within Norfolk

Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved	Change
Increase the number of payment tickets processed by the Parking System via pay-in lane options (new measure, FY 2014)	0	386,027	322,140	525,000	202,860
Increase the number of spaces leased under the Parking System's Top Deck Initiative (new measure, FY 2014)	0	90	95	125	30
Maintain the number of parking violation tickets issued	56,751	52,693	60,000	44,200	-15,800

Objective

Connect businesses and workers

Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved	Change
Increase the number of monthly parkers throughout the Parking System	8,409	8,506	8,500	8,500	0

Priority: Well-Managed Government

Goal

Achieve a reputation internally and externally as a well-managed government

Objective

Attract and retain businesses within Norfolk by ensuring all parking facilities are accessible, clean, safe and inviting

Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved	Change
Establish a baseline for percent of customers who rate parking services as meeting or exceeding expectations (new measure, FY 2015)	0	55	50	58	8

REVENUE SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Permits and Fees	\$0	\$0	\$0	\$33,000
Fines and Forfeitures	\$1,892,895	\$2,607,036	\$2,378,000	\$2,000,000
Use of Money and Property	\$111,824	\$388,760	\$75,000	\$50,000
Charges for Services	\$17,160,499	\$17,624,326	\$17,859,716	\$16,609,390
Miscellaneous Revenue	\$8,864	\$221	\$0	\$0
Other Sources and Transfers In	\$250,943	\$0	\$1,433,361	\$2,702,256
Federal Aid	\$11,416	\$0	\$0	\$0
Total	\$19,436,441	\$20,620,343	\$21,746,077	\$21,394,646

Actual amounts represent collections, not appropriation authority.

EXPENDITURE SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Approved	FY 2016 Approved
Personnel Services	\$3,800,432	\$3,793,305	\$3,722,714	\$3,557,772
Materials, Supplies and Repairs	\$1,496,982	\$1,568,968	\$1,929,175	\$1,673,835
Contractual Services	\$4,107,484	\$4,542,766	\$4,020,882	\$4,227,377
Equipment	\$49,345	\$28,032	\$129,400	\$121,000
Department Specific Appropriation	\$589,376	\$7,322	\$0	\$0
Debt Service/Transfers to CIP	\$9,555,189	\$5,516,109	\$11,943,906	\$11,814,662
Total	\$19,598,808	\$15,456,502	\$21,746,077	\$21,394,646

APPROVED FY 2016 BUDGET ACTIONS

- Implement phase II of ARMD compensation strategy** **FY 2016: \$33,434** **FTE: 0**

Implement phase II of the three-year compensation strategy as part of the Attraction, Retention, Motivation, and Development (ARMD) Initiative. FY 2016 includes: a two percent increase for general and constitutional officer employees; an additional one percent increase for the approximately 1,000 permanent employees in the city's eight lowest general employee pay grades; a \$400 increase to the permanent employee living wage; and salary range adjustments to the city's most regionally out of market positions. All actions will be effective January 2016.

Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

- Adjust operational expenses** **FY 2016: \$85,373** **FTE: 0**

Technical adjustment for operational expenses which occurs annually. These expenses may include vehicle maintenance, fuel, indirect costs, and materials and supplies for essential operations.

Priority Area(s) Met: Well-Managed Government

• **Transfer Residential Parking Program** **FY 2016: \$5,000** **FTE: 0**

Transfer the Residential Parking Program from the Commissioner of Revenue. Beginning in FY 2016, the Parking Facilities Fund will be responsible for administration of the Residential Parking Permit Program, and the General Fund revenue from residential parking permits (\$33,000) will be transferred to the Parking Facilities Fund. A corresponding adjustment can be found in the Commissioner of Revenue.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Reduce annual cruise ship parking expenses** **FY 2016: (\$52,000)** **FTE: 0**

In prior fiscal years parking revenue generated from cruise ship passengers was collected by Parking and transferred to Nauticus to pay for debt service on the Cruise Ship Terminal. In FY 2011, the Maritime Fund and with it the Cruise Ship Terminal debt, was moved into the General Fund. As a result this transfer is no longer needed. This action will have no impact to services.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities

• **Adjust debt service payments** **FY 2016: (\$374,117)** **FTE: 0**

Adjust debt service costs. It is anticipated that an additional \$10 million in debt will be issued in FY 2016 related to the parking garage for the new hotel and conference center.

Priority Area(s) Met: Well-Managed Government

• **Provide funds for contractual maintenance** **FY 2016: \$138,100** **FTE: 0**

Provide funds for contractual maintenance services for Parking. In FY 2015 Parking began utilizing contracted maintenance workers and eliminated five Maintenance Worker I positions and four Maintenance Worker II positions. This initiative resulted in savings and realigned personnel to more effectively serve the needs of the city. A corresponding adjustment has been made to reduce personnel expenses.

Priority Area(s) Met: Safe, Healthy, and Inclusive Communities and Well-Managed Government

• **Adjust costs for Fleet expenditures** **FY 2016: (\$20,316)** **FTE: 0**

Technical adjustment to update the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.

Priority Area(s) Met: Well-Managed Government

• **Adjust financial management software cost** **FY 2016: (\$11,301)** **FTE: 0**

Adjust costs associated with the upgrade and maintenance of the Advantage Financial Management System (AFMS). AFMS is the financial system the city uses to conduct day to day business activities. The software uses pre-defined controls, and consistent accounting rules across all financial transactions, tracks, and controls funds, and interfaces with the performance budget system.

Priority Area(s) Met: Well-Managed Government

• **Transfer a portion of printing costs** **FY 2016: \$2,772 FTE: 0**

Distribute a portion of printing costs associated with the use of multifunction printers and other devices included in the city's printing contract. In the previous calendar year, the city produced 18.5 million black and white pages and 7.2 million color pages. Currently, it costs 12 times more to print in color than in black and white. This transfer allows departments to manage the printing of color versus black and white documents. This transfer also begins to place printing costs within departments to better reflect where expenditures occur.

Priority Area(s) Met: Well-Managed Government

• **Annualize phase I of ARMD compensation strategy** **FY 2016: \$27,525 FTE: 0**

Technical adjustment to annualize ARMD Phase I compensation actions that occurred in January 2015. The Approved FY 2015 Budget included funds for: a two percent increase for general and constitutional officer employees; a step increase for sworn employees; a living wage adjustment; and salary range adjustments to the city's most regionally out of market positions.

Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

• **Adjust required contribution for city retirement** **FY 2016: (\$134,540) FTE: 0**

Adjust the annual required contribution to the Norfolk Employee's Retirement System (NERS). Retirement contributions are based on a formula that calculates the funds needed to meet present and future retirement payments. The contribution amount for the city will decrease in FY 2016 from 21.45 percent to 17.51 percent. Costs are distributed based on each department's NERS eligible payroll.

Priority Area(s) Met: Well-Managed Government

• **Adjust costs for salaries due to retirement conversion** **FY 2016: \$95,674 FTE: 0**

Technical adjustment to update the funding needed to support employee salaries due to the FY 2015 retirement conversion. Prior to January 2015, a majority of city employees did not contribute to NERS. This conversion increased the salaries of non-contributing employees by at least five percent but also required an ongoing five percent employee retirement contribution to NERS.

Priority Area(s) Met: Accessibility, Mobility, and Connectivity and Safe, Healthy, and Inclusive Communities and Well-Managed Government

• **Update personnel expenditures** **FY 2016: (\$147,035) FTE: -5**

Technical adjustment to update department costs for personnel services. Changes reflect updates in staffing due to administrative actions, consolidations, and reorganization efforts. This adjustment reflects the corresponding funds needed in FY 2016 for these actions. The adjustment also reflects updated healthcare costs which include an overall premium increase and an update based on enrollment. The update also includes the addition of a Manager of Budget and Accounting and the elimination of one Electrician I, five Maintenance Worker I, and two Maintenance Worker II positions. These are routine actions which occur at the beginning of the budget cycle.

Parking Facilities Fund

Total: (\$351,431) FTE: -5

FULL TIME EQUIVALENT (FTE) SUMMARY

	Pay Grade	Minimum	Maximum	FY 2015 Approved	FTE Change	FY 2016 Approved
Accountant III	1 13	\$46,885	\$74,950	1	0	1
Accounting Technician	1 06	\$26,900	\$43,000	6.8	0	6.8
Administrative Assistant I	1 09	\$33,770	\$53,980	1	0	1
Collection Coordinator	1 11	\$40,005	\$64,000	1	0	1
Crew Leader I	1 08	\$31,180	\$49,850	2	0	2
Customer Service Representative	1 03	\$21,222	\$33,930	15.2	0	15.2
Electrician II	1 08	\$31,180	\$49,850	0	1	1
Electronics Technician II	1 10	\$36,605	\$58,520	1	0	1
Enterprise Controller	1 16	\$58,970	\$94,260	1	0	1
Maintenance Mechanic II	1 07	\$28,815	\$46,100	2	2	4
Maintenance Supervisor II	1 12	\$43,470	\$69,500	1	0	1
Maintenance Worker I	1 03	\$21,222	\$33,930	11	-5	6
Maintenance Worker II	1 04	\$22,875	\$36,570	7	-4	3
Manager of Budget & Accounting	1 18	\$67,350	\$107,670	0	1	1
Meter Monitor	1 04	\$22,875	\$36,570	9	0	9
Painter I	1 06	\$26,900	\$43,000	1	0	1
Parking Administrator	1 14	\$51,000	\$82,700	1	0	1
Parking Director	1 18	\$67,350	\$107,670	1	0	1
Parking Manager	1 12	\$43,470	\$69,500	1	0	1
Parking Supervisor	1 09	\$33,770	\$53,980	6	0	6
Software Analyst	1 13	\$46,885	\$74,950	1	0	1
Total				70	-5	65

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