

Introduction

The City of Norfolk is a vibrant, historic port city where diverse citizens, military, and businesses are building the economy, neighborhoods, and culture into the most livable urban waterfront in America.

This report is designed to provide an overview of how the City has performed over the last fiscal year. Included is a breakdown of Norfolk's financials and a look ahead at future initiatives and developments.

Norfolk Demographics

	2016	2015	2014
Population	247,087	247,189	246,394
Civilian Labor Force Estimates	110,644	111,318	112,175
Per Capita Personal	\$ 35,940	\$38,676	\$37,052
Unemployment	5.2%	5.6%	6.4%

City Organization and Operation

The City is organized and operates under a council-manager form of government. The City Council is comprised of eight members, who formulate policies for the administration of the City. Seven members are elected through a ward system and the Mayor is elected at-large.

The City provides a full range of general governmental services for its residents. These services include police protection; fire and paramedical services; public health and social services; planning and zoning management; neighborhood preservation and code enforcement; environmental storm water management; local street maintenance; traffic control; design, construction and maintenance of public buildings and infrastructure; parks and cemeteries operations and maintenance; recreation and library services; collection and disposal of refuse and recycling; water and wastewater utilities; construction and operation of parking facilities; arts, entertainment and cultural affairs; and general administrative services.

City Council Priorities

Well-Managed Government: Continue to be a data-driven organization that provides effective and efficient services that are responsive, accountable and customer focused.

Lifelong Learning: Engage residents of all ages in a culture of learning that enables them to reach their full potential and support a thriving economy.

Safe, Healthy and Inclusive Communities: Encourage communication between residents to develop safe neighborhoods, thereby fostering a culture of leadership and pride in their community.

Accessibility, Mobility and Connectivity: Provide a comprehensive network of accessibility for information and transit to connect residents, ideas, goods and information.

Economic Vitality and Workforce Development: Create a growing and diverse economy that enhances the quality of life for residents.

Environmental Sustainability: Preserve our premier waterfront and promote environmentally responsible interaction with our natural surroundings.

Page 1

Introduction & Priorities

Page 2

Accomplishments & Measures

Page 3

Norfolk's Financials

Page 4

The City's Future

Recent Accomplishments

Programs and services that help the City achieve desired outcomes become funding priorities. Below are just a few of the City's recent accomplishments that tie in with City Council priorities.

- ⇒ Invested resources to place and upgrade broadband infrastructure, as well as expand internet access and public Wi-Fi
- ⇒ Invested in strategic economic development projects, such as the Main and Exchange Hotel & Conference Center, Waterside District, IKEA, Simon Premium Outlets and Military Circle, that grow the City's tax base
- ⇒ Launched NorfolkWorks, one of Virginia's first workforce development initiatives to connect residents to new jobs

NORFOLKWORKS

- ⇒ Established the Office of Resilience to further strengthen the City against economic, social and environmental challenges

NORFOLKRESILIENT CITY

- ⇒ Hosted the NATO Resilience Conference in May 2017 to discuss the interconnectedness of the military, civilian and private sectors in building urban resilience
- ⇒ Created the Ready to Thrive Initiative to provide wrap-around services promoting the healthy growth, development and success of children, as well as removing barriers to learning
- ⇒ Implemented Phases II and III of the initiative to attract, retain, motivate and develop (ARMD) the City workforce and further Norfolk's position as an employer of choice
- ⇒ Introduced Norfolk Nighthawks, a recreation program that provides young adults a safe, activity-filled way to spend their evenings during the summertime



Key Measures

City staff continuously review and refine performance measures to ensure these represent the City Council and community priorities.

Selected Performance Measures	2016	2015
Miles of bikeways marked	38	25
Norfolk Public Library website page views	376,175	393,062
Zoo attendance	432,065	427,892
Nauticus visitors	231,150	227,376
Cultural Facilities, Arts and Entertainment attendance	1,187,857	1,166,980
Active business licenses	14,924	14,745
Number of small, women and minority-owned (SWAM) businesses that conduct business in the City	331	387
Tons of curbside recycling collected	11,086	10,884
Percent of fire calls with total response time of 5 minutes and 20 seconds or less	90	80



The Association of Government Accountants (AGA) developed guidance on producing Citizen Centric Reporting as a method to demonstrate accountability to residents and answer the question, "are we better off today than we were last year?" Additional details about the associate can be found at AGA Website: www.agacgfm.org/citizen

Page 1

Introduction & Priorities

Page 2

Accomplishments & Measures

Page 3

Norfolk's Financials

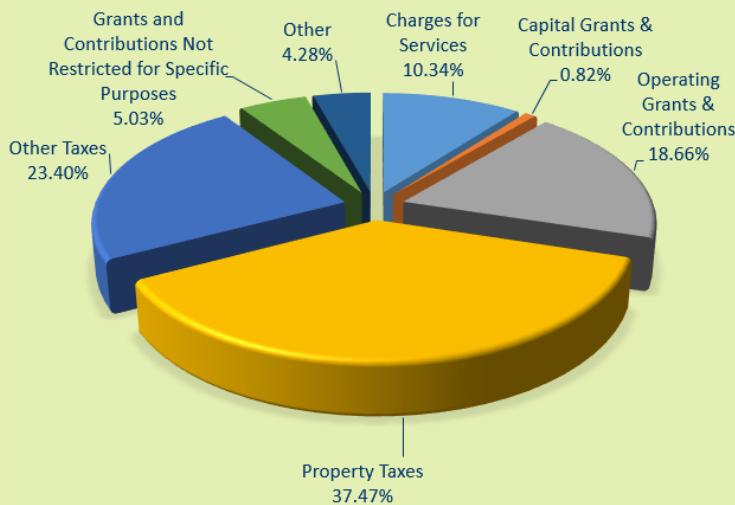
Page 4

The City's Future

Norfolk's Financials

Where the money comes from?

The General fund provides funding for the daily operations and services of the City. Revenues for Fiscal Year 2017 totaled \$724,534,800, a \$28 million increase from Fiscal Year 2016. Property and other taxes comprise the vast majority of the governmental fund revenues at 61 percent of the total.



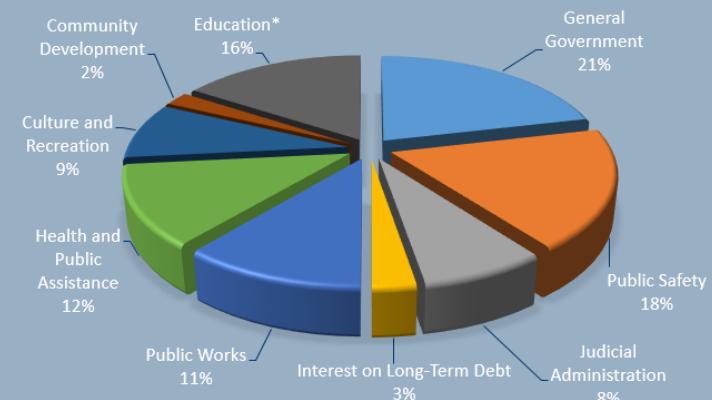
	Fiscal Year	
	2017	2016
Revenue by Source		
Charges for Services	\$ 74,932,416	\$ 76,753,079
Operating Grants & Contributions	135,193,939	132,611,088
Capital Grants & Contributions	5,941,421	5,672,118
Property Taxes	271,460,824	263,395,351
Other Taxes	169,538,978	166,033,611
Grants and Contributions Not Restricted for Specific Purposes	36,440,122	34,863,429
Other	31,027,100	16,684,723
Total Revenue	\$ 724,534,800	\$ 696,013,399

An independent audit of the City's finances was conducted, resulting in an unmodified or clean opinion. Complete financial information can be found at our website at www.Norfolk.gov/Finance

How is the money spent?

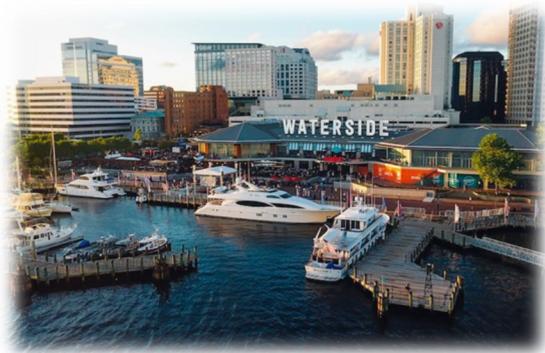
The City's governmental activities include a variety of services. A majority of spending is for City Council priorities; education, housing and public safety. Total expenses for governmental activities in Fiscal Year 2017 were \$726,708,389 an increase of 6.6 percent from Fiscal Year 2016. General government expenditures were the largest at \$155 million.

Governmental Activities	Fiscal Year	
	2017	2016
General Government	\$ 155,158,869	\$ 130,549,665
Judicial Administration	55,547,417	51,926,496
Public Safety	133,377,565	119,827,879
Public Works	80,825,192	79,200,166
Health and Public	89,102,636	85,730,329
Culture and Recreation	62,996,097	60,064,216
Community Development	15,402,399	16,733,929
Education	114,971,922	114,768,522
Interest on Long-Term Debt	19,326,292	22,950,501
Total Expenditures	\$ 726,708,389	\$ 681,751,703



¹Local funds only

²General Government expenditures are related to the administration of the City's affairs. These expenses include the cost of all elected officials, as well as the Departments of Finance and Law, among many others.



Want to Connect?



www.linkedin.com/company/city-of-norfolk



www.norfolk.gov/facebook



www.norfolk.gov/twitter

Feedback

Do you like this report? Would you like to see other information? Please let us know by contacting Anne Agorsor at anne.agorsor@norfolk.gov. For more information, please visit our website at www.norfolk.gov/Finance

What's Next?

Moving Forward

Going forward, the City is working to address several initiatives designed to increase efficiency and effectiveness including:



Developing a Strategy for Transforming the St. Paul's Community



Determining a Cultural Facilities Investment Plan



Ensuring an Adequate School Funding Formula



Continuing Public Safety Resource Support

Upcoming Capital Projects

Each year, the City develops a five-year Capital Improvement Plan to pay for needed improvements throughout the City. Council adopts the first year of the plan.



Reduce Neighborhood Flooding



Improve Community and Neighborhood Parks



Complete Replacement of Camp Allen Elementary School



Improve Harbor Park

Page 1
Introduction & Priorities

Page 2
Accomplishments & Measures

Page 3
Norfolk's Financials

Page 4
The City's Future