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 summary financial information and a look ahead at future initiatives and developments.

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.

The City provides a full range of general governmental services for its residents, some of which are shown below:

- **Population**
  - 2020: 246,063
  - 2019: 245,054
  - 2018: 245,741

- **Unemployment Rate**
  - 2020: 3.5%
  - 2019: 3.5%
  - 2018: 3.9%

- **Per Capita Personal Income**
  - 2020: $42,996
  - 2019: $42,875
  - 2018: $41,822

- **Civilian Labor Force Estimates**
  - 2020: 111,825
  - 2019: 112,364
  - 2018: 112,100

City Council Values and Priorities

Through effective partnerships between City governments and its constituents, Norfolk has become a national leader in the quality of life offered to all of its citizens. The City is physically attractive, socially supportive and financially sound.

Values

- Accountability
- Respect
- Integrity
- Innovation

Priorities

- Lifelong Learning
- Accessibility/Mobility and Connectivity
- Economic Vitality and Workforce Development
- Environmental Sustainability
- Safe, Healthy and Inclusive Communities

The Information provided within the charts is the most recent data available.
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:

⇒ The CDBG program invests in initiatives such as the Norfolk Works Job Resource & Community Career Center to help income-eligible residents locate, apply for, and prepare for jobs. The CDBG program also supports the Ohio Creek Watershed Project, which will help address flooding and ensure the future sustainability of Chesterfield Heights and Grandy Village neighborhoods.

⇒ The City was allocated $154.1 million in American Rescue Plan Act (ARPA) funding. Residents can provide their input to help establish a collaborative, community-driven plan through online tools and newly added drop boxes located throughout the City.

⇒ In June 2021, the City was able to refinance its current Unfunded Actuarial Accrued Liability (“UAL”) at a lower interest rate without extending the amortization period, which is expected to reduce the City’s aggregate pension costs. This deposit in the pension system increased the pension funded ratio from approximately 77% to approximately 91%.

⇒ In midst of the COVID-19 pandemic, City Council and management have been committed to ensuring the City has a path of long-term recovery. The Fiscal Year 2021 budget development focused on the realignment of the City’s capacity and resources to deliver its programs and services effectively to residents. The Fiscal Year 2022 budget continues to support the City Council priorities which include Norfolk Public Schools, attracting and retaining talent, recreation and library operations, support for our youth, Citywide beautification, affordable housing and community development.

⇒ As part of the City’s long-term initiative to improve energy sustainability, the City has pledged to reduce its energy use in City buildings by one-fifth over the next decade. Actions will include retrofitting lighting and factoring in the most energy-efficient practices. The City also acknowledges climate change and is focused on reducing carbon emissions, by working to revamp community garden programs, adding electric car charging stations and easing the residential solar permitting process.

Key Measures

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

<table>
<thead>
<tr>
<th>Performance Measures</th>
<th>2020 Actual</th>
<th>2021 Adopted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miles of bikeways marked</td>
<td>54</td>
<td>58</td>
</tr>
<tr>
<td>Library Visitors</td>
<td>759,280</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Zoo attendance</td>
<td>318,797</td>
<td>500,000</td>
</tr>
<tr>
<td>Nautilus visitors</td>
<td>177,381</td>
<td>237,000</td>
</tr>
<tr>
<td>Cultural Facilities, Arts and Entertainment attendance</td>
<td>429,471</td>
<td>1,235,000</td>
</tr>
<tr>
<td>Active business licenses</td>
<td>16,834</td>
<td>16,025</td>
</tr>
<tr>
<td>Number of small, women and minority-owned (SWAM) businesses that conduct business in the City</td>
<td>575</td>
<td>575</td>
</tr>
<tr>
<td>Tons of curbside recycling collected</td>
<td>10,733</td>
<td>12,000</td>
</tr>
<tr>
<td>Percent of fire calls with total response time of 5 minutes and 20 seconds or less</td>
<td>83</td>
<td>90</td>
</tr>
</tbody>
</table>

1 The Information provided in this chart is the most recent data available for the selected performance measures.
Total governmental activities’ expenses decreased significantly in comparison to fiscal year 2020 as a result of the recordation of an additional $120 million contribution made to the Norfolk Employees’ Retirement System, to further benefit the already healthy retirement system. As this additional contribution was made in fiscal year 2021, but subsequent to the measurement date of the pension liability, GAAP accounting requires the additional contribution to be classified as a deferred outflow, which reduced expenses.
Moving Forward

Going forward, the City is working to address several initiatives designed to increase efficiency and effectiveness and ensure long-term financial sustainability, including:

- Affordable Housing and Community Development
- Infrastructure Investments
- Support For Our Youth, as well as Norfolk Public Schools
- Investment in Resilience and Environmental Sustainability Initiatives

Upcoming Capital Projects

Each year, the City develops a five-year Capital Improvement Plan (CIP) for needed improvements throughout the City. Council adopts the first year of the CIP.

- St. Paul’s Area Transformation
- Improve Community and Neighborhood Parks
- Address Street Flooding Citywide
- Repair, Replace and Maintain Roads and Bridges

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