

How to Read the Document

Reader's Guide to the Budget Document

The budget document's purpose is to provide information, data, and statistics pertaining to the City of Portsmouth's financial plans and operations to its citizens, elected officials, and interested parties.

The budget document is a summary document pertaining to all City government public service programs. For coordinating revenues and expenditures, it is the annual plan. The fiscal year 2006 budget represents the period of July 1, 2005 to June 30, 2006.

Section Explanation

Executive Summary:

It is the FY 2005-06 budget overview, which includes budget priorities, financial objectives, significant achievements, highlights, trends and issues.

Budget Overview:

It is information pertaining to the fund structure, the accounting/budget basis, the budget process and budget calendar. It includes operating budget revenue, expenditure, and personnel summaries; moreover there are transfer statements, fund balances, City indebtedness comments and CIP project discussions.

Revenues:

It is a revenue analysis for the general fund.

Expenditures:

It is an expenditure trend discussion of the major expenditure categories.

General Government:

It is a departmental detail pertaining to the general administration of the City.

Nondepartmental:

It is a non-specific functional department detail.

Judicial:

It is a civil and criminal detail pertaining to prosecution and adjudication.

Public Safety:

It is a departmental detail pertaining to citizenry protection.

Public Works:

It is a departmental detail pertaining to maintaining the City's infrastructure.

Public Health and Welfare:

It is a departmental detail pertaining to the health and welfare of the citizenry.

Parks, Recreation and Cultural:

It is a departmental detail pertaining to the City's recreation and cultural.

Community and Economic Development:

It is a departmental detail pertaining to the City's development.

Education:

It is a detail pertaining to Portsmouth's public education system.

How to Read the Document

Capital Improvement Program:

This section is a schedule for the financing and construction of major municipal facilities and infrastructure such as roads, schools, buildings, and water and sewer lines. There is a linkage with Council policies, plans and goals. Details of the FY 2005-06 CIP are included in this section.

Ordinances:

Official budget ordinances are shown here reflecting City Council's formal actions.

Supplementary Information:

This is statistical and comparative data about the City of Portsmouth.

Revenue Category Explanation

General Property Taxes:

These are taxes on real and personal properties. This includes both tangible and intangible property such as vehicles, real estate, and business equipment. Also included in this category are delinquent tax interest and penalties.

Other Local Taxes:

These include approved Commonwealth taxes for use by municipalities to derive and collect revenues. Examples are sales tax, business licenses, vehicle registration fees, cigarette taxes, and lodging.

Utility Taxes:

Utility service taxes paid by citizens. Depending on the utility, the rates vary. This category includes revenue from cable TV, cellular telephone, E-911, electricity, gas, telephone, and water taxes.

State Aid:

Funding received from the Commonwealth of Virginia.

- *State Non-Categorical Aid* includes the municipality's tax share received by the State of Virginia. This would include ABC store profits and vehicle rental taxes.
- *State Categorical Aid – Shared Costs* are contributions to municipalities for Virginia-mandated services. This would include the City Sheriff's Office and the City Treasurer's office.
- *State Other Categorical Aid* includes all other funding received from Virginia (funding for library books and street/highway maintenance).

Other Governments:

Excluding the Commonwealth of Virginia and the Federal Government, this category includes funding from any government.

Federal Direct:

This is Federal Government funding such as FEMA reimbursements.

Charges For Services:

City fees charged to government service users such as recreation fees, court costs, and library fines.

Interest:

Interest received from any investment account.

Recovered Costs:

Expenditure reimbursements incurred by a department.

Fines and Forfeitures:

Court and City Sheriff fees collected for law violations.

How to Read the Document

Licenses And Permits:

Fees charged to obtain a license or permit such as yard sale permits, building inspection fees, and sign permits.

Use Of Property:

Rent charged for use of City property.

Miscellaneous Revenue:

Donations and contributions made to the City.

Payment In Lieu Of Taxes:

Revenue received in lieu of taxes under a contractual agreement.

Operating Transfers In:

This is a money transfer from another City fund.

Expenditure Category Explanation

Salaries:

All full and part-time employee payrolls including overtime and allowances.

Benefits:

City paid contributions for employee fringe benefits. This includes the City's portion of social security for employees, retirement, health, and life insurance plans.

Contractual Services:

Fee or a fixed time contract based services acquired from outside sources.

Materials and Supplies:

Provisions required to operate a department such as printing, stationery and books.

Other Operating Expenses:

These are required operating expenses such as telephone, computer software and travel expenses.

Internal Service Charges and Expenses:

In order to capture the full cost of the specific function, services are provided to departments by other departments at a set rate. These include risk management costs, fleet charges, information technology charges, and healthcare.

Capital Outlay:

These are expenditures, which result in the acquisition of, or addition to, fixed assets.

Debt Service:

These are scheduled annual principal and interest payments for outstanding debt.

Transfers:

Funds transferred between departments.