

EXPENDITURES

Expenditure Summary

Estimating Expenditures

Due to fluctuating economic factors, Federal, State and local economies, expenditures are subject to many evaluation factors during the budget development process. During budget development, these factors are considered along with strategic meetings held by the budget and management teams resulting in estimates for the adopted expenditure budget.

In the schedules on the following pages, expenditures are grouped by broad categories:

- **General Government** – this category includes departments that provide the overall general administration of the City including City Council, City Clerk, City Manager, Management and Legislative Affairs, Office of Communications, City Attorney, Human Resources, the Civil Service Commission, Registrar, Commissioner of the Revenue, City Assessor, City Treasurer, Finance, Procurement and Risk Management and Office of Marketing.
- **Non-departmental** – this category includes non-specific departmental functions of Public Transportation, Non-Departmental, Support to Civic Organizations, Debt Service and Transfers and Contingencies. Transfers and Contingencies move funds from one fund to another, and when the cost of an issue is unknown, contingencies are set aside. The largest City transfer is to the Schools Operating Fund.
- **Judicial** – this category includes civil and criminal agencies pertaining to prosecution and adjudication and includes the Circuit Court Judges, Circuit Court Clerk, Magistrate, General District Court, Juvenile and Domestic Relations Court, Juvenile Court Services, Sheriff and Commonwealth Attorney.
- **Public Safety** – this category includes Police, E-911, Animal Control and Fire, Rescue and Emergency that address citizenry protection.
- **Public Works** – this category includes Engineering, Streets and Highways, Mosquito Control, Traffic Engineering, Property Management, Utilities and Rental of Land and Buildings, which address the City's infrastructure needs.
- **Public Health and Welfare** – this category includes the Departments of Health, Behavioral Healthcare Services, Social Services and Comprehensive Services which address the health and welfare of the citizenry.
- **Parks, Recreation and Culture** – this category includes departments such as Parks, Recreation and Leisure Services, Museums, Public Library and the Golf fund that address the City's recreational and cultural needs.
- **Community and Economic Development** – this category includes Economic Development, Convention and Visitors Bureau, Permits and Inspections, Planning, Willett Hall and the Community Planning and Development Program which address the City's overall development, marketing and planning needs.
- **Education** – this category include the activities and funding for the Portsmouth City Public Schools.

General Fund Expenditures in Total

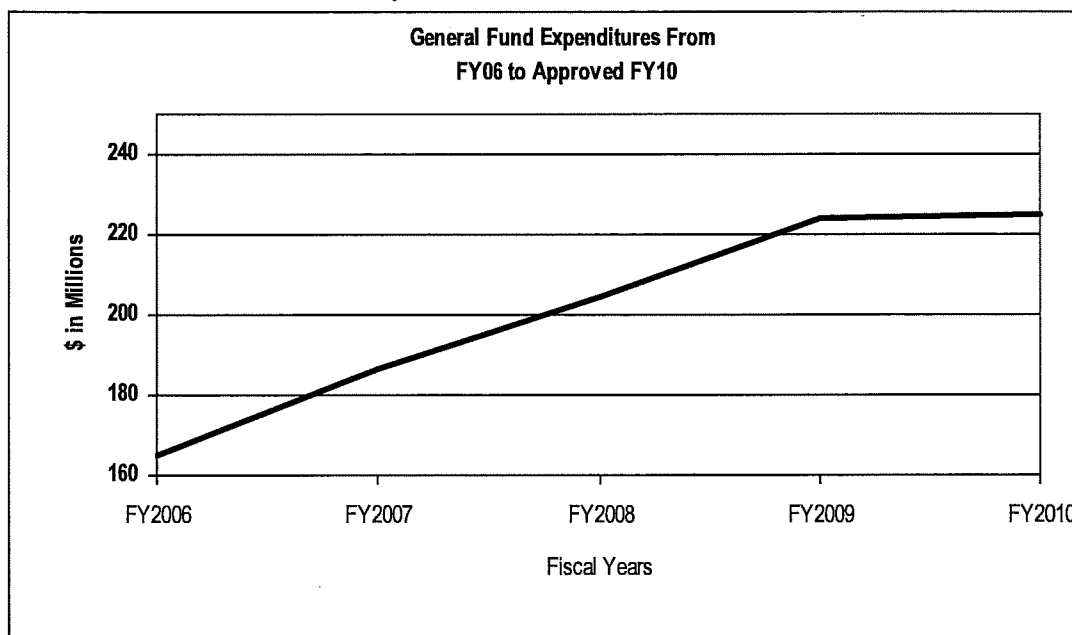
Controlling expenditures is paramount for the City to maintain a stable tax rate. As the following schedules indicate, the General Fund FY10/11 Biennial Adopted Budget decreased by 1.0% or \$4.0 million from the Fiscal Year 09 Adopted Budget. This decrease is due to a

Expenditure Summary

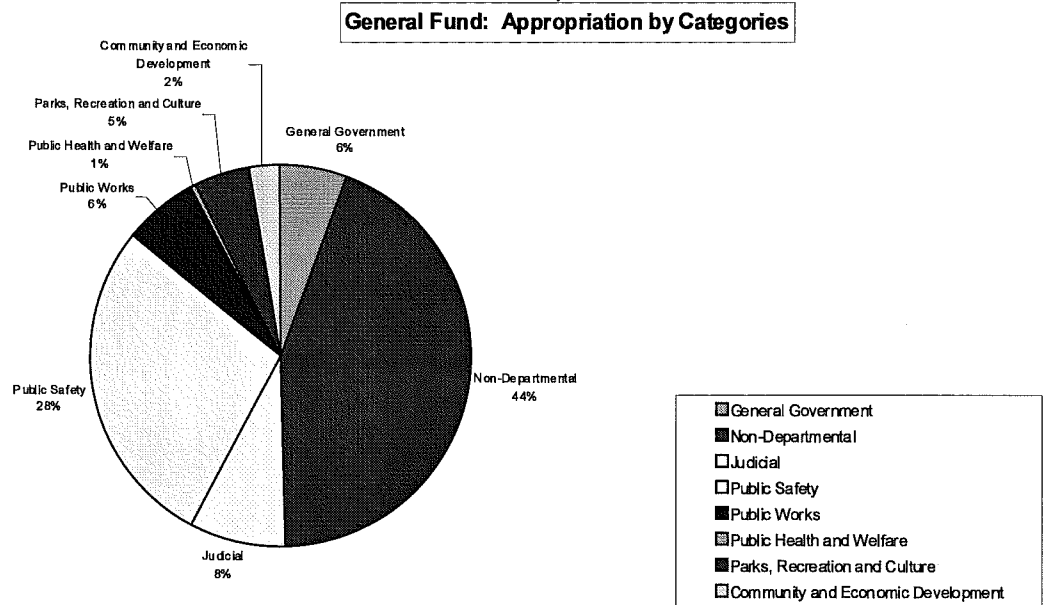
sluggish economy, declining housing market, state mandated reductions and an overall increase in cost of goods in FY2009 and projected in FY2010/2011.

Category	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Adopted	FY 2010 Adopted
Total Operating Budget	186,331,590	204,368,763	224,026,276	225,234,475	223,401,056

As the graph below indicates, the general fund growth has been moderate over the past four years (FY06 – FY09). It is noteworthy to add that our mid-year revised projections for FY2009 reflected a \$10.2 million revenue shortfall due to the economy and overestimated revenue projections. Much like the cost of living or consumer price index would demonstrate over this same period of time, there have been considerable spikes in growth for the cost of goods and services. The FY2010 budget is approximately \$1.8 million less than the Adopted FY2009 budget and reflects reductions to departmental services and programs to realign with forecasted revenue for the FY2010 fiscal year.



Expenditure Summary



Comparative expenditures by category:

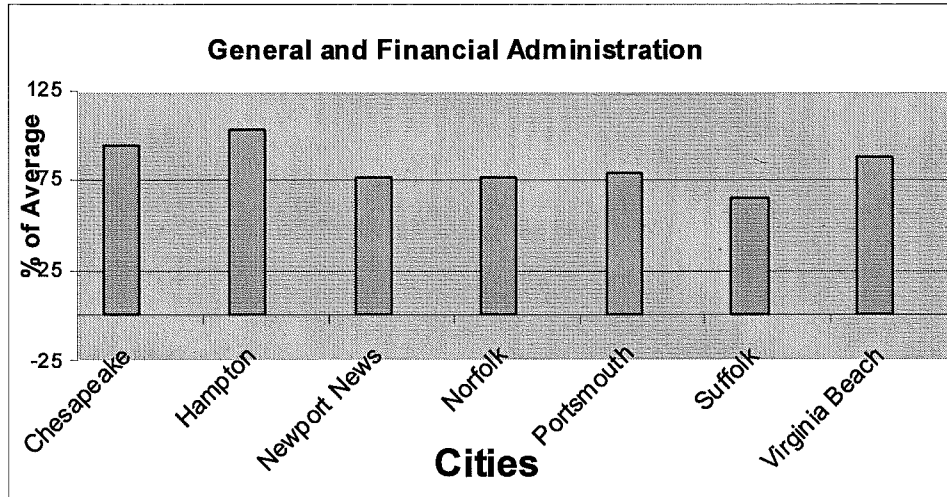
This section highlights expenditures per the "Comparative Report of Local Government Revenues and Expenditures" for the period ending June 30, 2008. This information is utilized as an analytical tool to display categories of expenditures across the governing counties, cities and towns within the State of Virginia. Several charts will be displayed to show the following comparative data for the six neighboring localities (Norfolk, Virginia Beach, Suffolk, Newport News, Chesapeake and Hampton) based on the following broad categories:

1. General and Financial Administration expenditures
2. Public Safety expenditures
3. Education expenditures by activity

General and Financial Administration – This category includes the Commissioner of the Revenue, City Treasurer, Data Processing, Automotive Motor Pool, Purchasing, Print Shop and Risk Management/Insurance. The City of Portsmouth ranks fourth of the seven localities in per capita spending for this category, and 79.36 % of the average for the State of Virginia. The City of Hampton ranks the highest followed by the City of Chesapeake.

Expenditure Summary

Cities	Per Capita \$	% of Avg.
Chesapeake	131.73	93.36
Hampton	145.06	102.80
Newport News	107.53	76.20
Norfolk	107.74	76.36
Portsmouth	111.98	79.36
Suffolk	91.76	65.06
Virginia Beach	124.58	88.29
Average per capita \$141.10		

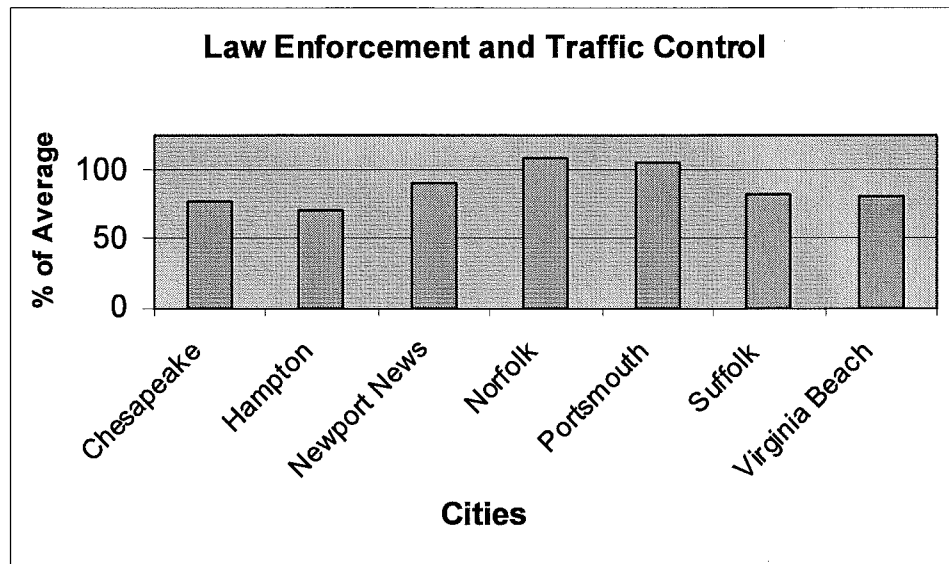


Expenditure Summary

Public Safety Expenditures – This category includes Law Enforcement and Traffic Control, Fire and Rescue Services, Correction and Detention, Inspections and Other Protection. Law Enforcement and Traffic Control, Fire and Rescue Services and Correction and Detention per capita expenditures and rankings are displayed below.

Law Enforcement and Traffic Control

Cities	Per Capita \$	% of Avg.
Chesapeake	214.23	75.73
Hampton	197.83	69.94
Newport News	253.80	89.73
Norfolk	305.73	108.08
Portsmouth	294.64	104.16
Suffolk	229.46	81.12
Virginia Beach	225.02	79.55
Average per capita is \$282.87		

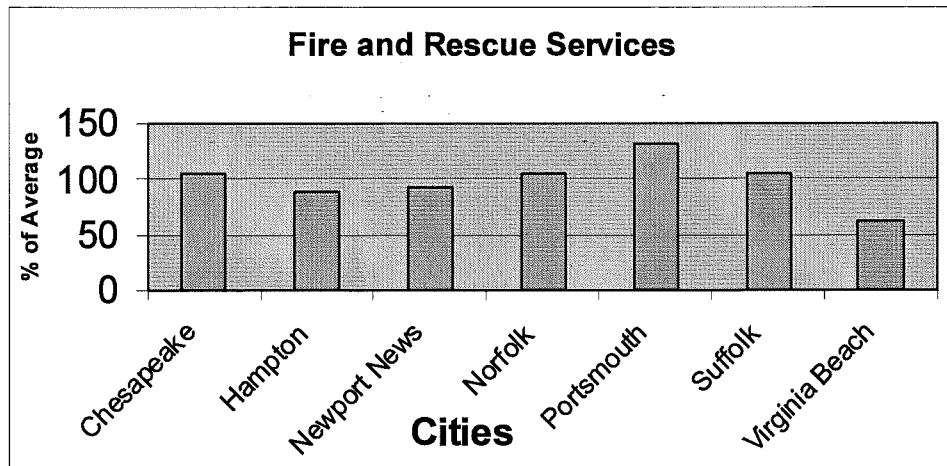


The City of Portsmouth ranks the second highest of the seven localities in per capita spending for Law Enforcement and Traffic Control and 105.22% of the average for the State of Virginia. The City of Norfolk ranks the highest of the seven cities with per capita spending at 108.08% of the State average.

Expenditure Summary

Fire and Rescue Services

Cities	Per Capita \$	% of Avg.
Chesapeake	196.92	105.55
Hampton	166.64	89.32
Newport News	173.71	93.10
Norfolk	194.54	104.27
Portsmouth	244.53	131.07
Suffolk	197.13	105.66
Virginia Beach	115.17	61.73
Average per capita is \$186.57		

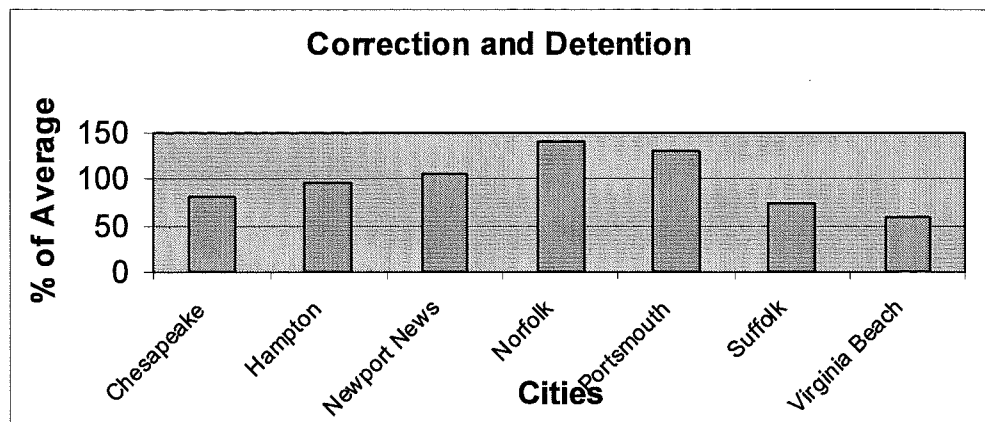


The City of Portsmouth ranks the highest of the seven localities in per capita spending for Fire and Rescue services and 131.07% of the State average. The Cities of Suffolk and Chesapeake rank the next highest with per capita spending of 105.66% and 105.55% respectively of the average per capita spending for the State.

Correction and Detention

Cities	Per Capita \$	% of Avg.
Chesapeake	114.54	81.70
Hampton	135.99	97.00
Newport News	147.96	105.54
Norfolk	195.19	139.23
Portsmouth	183.61	130.97
Suffolk	103.25	73.65
Virginia Beach	84.54	60.30
Average per capita is \$140.20		

Expenditure Summary



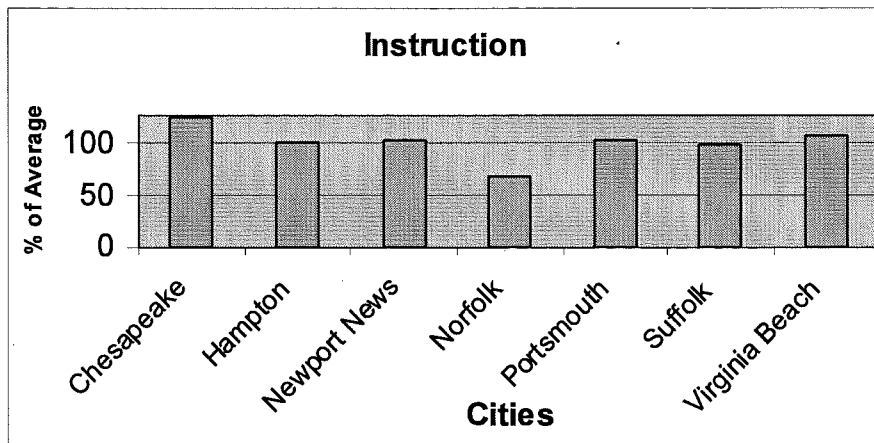
The City of Portsmouth ranks the second highest of the seven localities in per capita spending for Correction and Detention services and 130.96% of the State average. The City of Norfolk ranks the highest with per capita spending of 139.22% of the average per capita spending for the State.

Education – This category includes Instruction; Administration, Attendance and Health; Public Transportation Services and Operation and Maintenance Services. Comparative data is displayed below for the categories of 1) Instruction and 2) Administration, Attendance and Health.

Instruction

Cities	Per Capita \$	% of Avg.
Chesapeake	1,568.19	123.70
Hampton	1,257.70	99.21
Newport News	1,294.00	102.07
Norfolk	1,213.20	95.70
Portsmouth	1,282.61	101.18
Suffolk	1,232.93	97.26
Virginia Beach	1,340.03	105.70
Average per capita is \$1,267.71		

Expenditure Summary

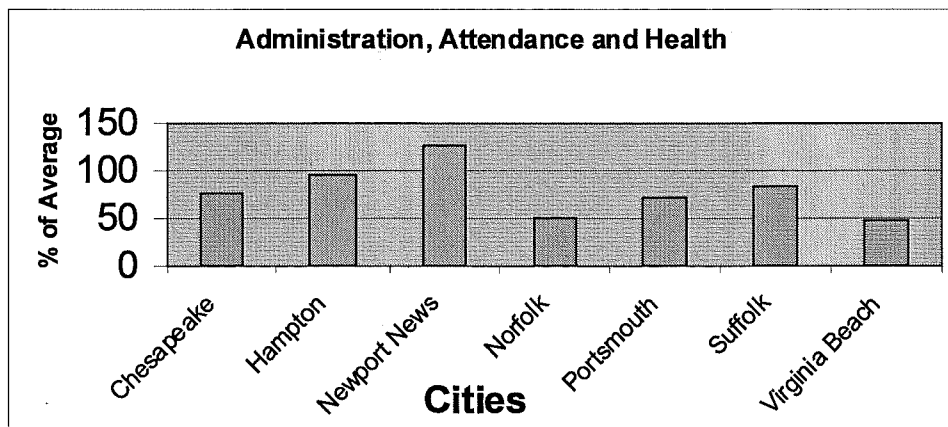


The City of Portsmouth ranks fourth of the seven localities in per capita spending for Instructional services and 101.18% of the State average. The city of Newport News ranks comparable in spending with 102.07% of average per capita spending.

Administration, Attendance and Health

Cities	Per Capita \$	% of Avg.
Chesapeake	75.55	89.92
Hampton	80.94	96.34
Newport News	158.39	188.51
Norfolk	57.24	68.13
Portsmouth	87.51	104.16
Suffolk	83.61	99.51
Virginia Beach	48.66	57.91

Average per capita is \$84.02



The City of Portsmouth ranks second of the seven localities in per capita spending for Administration, Attendance and Health services and 104.15% of the State average. The City of Newport News ranks the highest with 188.51% of the State average.

**City of Portsmouth
Fiscal Year 2010-2011 Adopted Budget Fund Summary**

Business Units	FY 2008 Actual	FY 2009 Adopted	FY 2009 Amended	FY 2010 Adopted	FY 2011 Planned
<u>100 General Fund</u>					
General Government					
City Council	410,713	440,969	440,969	416,494	451,128
City Clerk	371,378	363,066	363,066	304,864	315,152
City Manager	1,356,476	1,255,826	1,258,886	969,180	972,915
Management and Legislative Affairs	550,287	572,053	572,053	351,328	352,792
Registrar	548,017	617,704	617,704	521,928	525,497
City Attorney	1,760,335	1,575,660	1,575,660	1,329,335	1,337,198
Human Resource Management	1,062,203	1,217,607	1,217,607	940,083	946,335
Civil Service Commission	64,689	79,400	79,400	64,400	64,400
Commissioner of the Revenue	1,456,038	1,527,697	1,539,996	1,438,064	1,464,089
City Assessor	996,082	885,687	885,687	735,980	744,977
City Treasurer	1,827,783	1,875,278	1,875,278	1,808,439	1,840,003
Finance	2,161,472	2,047,863	2,047,863	1,743,849	1,772,684
Procurement And Risk Management	1,286,300	1,270,061	1,270,061	1,095,950	1,101,066
Marketing and Communications	351,965	398,220	398,220	1,245,851	1,251,798
Marketing	959,664	1,089,810	1,089,810	-	-
	<u>15,163,401</u>	<u>15,216,901</u>	<u>15,232,260</u>	<u>12,965,745</u>	<u>13,140,034</u>
Non-Departmental					
Non-Departmental	6,032,270	-602,808	-843,518	10,611,606	9,591,128
Transfers and Contingencies	61,174,401	64,222,664	64,221,164	63,197,643	64,379,496
Public Transportation	2,457,342	2,494,498	2,494,498	2,494,498	2,743,948
Debt Service	27,283,781	26,567,390	26,567,390	20,737,243	21,123,462
Support to Civic & Cultural Organizations	644,048	592,500	594,000	332,106	332,106
	<u>97,591,842</u>	<u>93,274,244</u>	<u>93,033,534</u>	<u>97,373,096</u>	<u>98,170,140</u>
Judicial					
Circuit Court Judges	546,406	551,700	551,700	565,583	572,511
Circuit Court Clerk	1,554,113	1,400,107	1,400,182	1,342,852	1,378,737
Magistrate	10,741	12,269	12,269	12,115	14,096
General District Court	38,737	49,938	54,688	51,140	51,052
Juvenile And Domestic Relations Court	22,296	24,909	24,909	25,627	25,693
Juvenile Court Services	1,128,756	1,247,647	1,247,647	1,237,343	1,247,805
Commonwealth Attorney	2,930,920	2,858,299	2,858,299	2,355,594	2,449,999
Sheriff	12,231,345	14,065,613	14,050,319	12,839,734	13,004,926
	<u>18,463,314</u>	<u>20,210,482</u>	<u>20,200,013</u>	<u>18,429,988</u>	<u>18,744,819</u>
Public Safety					
Police Department	31,495,463	32,396,263	30,186,327	32,091,024	32,819,734
E-911	-	-	2,235,918	2,400,611	2,295,360
Fire, Rescue And Emergency	26,148,138	26,252,816	26,252,816	28,372,511	29,405,121
	<u>57,643,601</u>	<u>58,649,079</u>	<u>58,675,061</u>	<u>62,864,146</u>	<u>64,520,215</u>
Public Works					
Streets And Highways	3,744,592	4,517,689	4,517,689	3,679,863	3,702,988
Mosquito Control	400,398	501,823	501,823	415,202	418,080
Engineering	1,730,565	1,712,176	1,712,176	1,485,116	1,530,479
Traffic Engineering	2,802,453	2,597,303	2,597,303	2,510,210	2,737,792
Property Management	3,927,414	3,775,083	3,775,083	3,230,641	3,215,673
Utilities	1,875,762	2,123,200	2,123,200	1,761,000	1,761,000
Rental Of Land	1,014,039	987,921	987,921	755,185	694,364
Harbor Center Pavilion	349,305	397,836	397,836	317,409	317,918
	<u>15,844,528</u>	<u>16,613,031</u>	<u>16,613,031</u>	<u>14,154,626</u>	<u>14,378,294</u>
Public Health					
Health	1,241,573	1,327,506	1,327,506	1,245,479	1,241,463

**City of Portsmouth
Fiscal Year 2010-2011 Adopted Budget Fund Summary**

Business Units	FY 2008 Actual	FY 2009 Adopted	FY 2009 Amended	FY 2010 Adopted	FY 2011 Planned
<u>100 General Fund</u>					
Parks, Recreation, and Cultural					
Museums	1,981,256	1,968,599	1,982,499	1,702,850	1,949,473
Public Library	2,514,961	2,527,155	2,527,155	2,295,750	2,369,350
Parks, Recreation and Leisure Services - Administration	4,764,686	4,735,772	4,951,772	4,571,144	4,687,815
Parks, Recreation and Leisure Services - Parks	1,622,149	2,451,764	2,451,764	1,940,232	1,969,334
Parks, Recreation and Leisure Services - Recreation	310,383	439,319	439,319	301,076	301,076
	<u>11,193,435</u>	<u>12,122,609</u>	<u>12,352,509</u>	<u>10,811,052</u>	<u>11,277,048</u>
Community and Economic Development					
Permits and Inspections	3,488,283	3,499,080	3,499,080	2,656,580	2,717,199
Economic Development	1,169,039	1,477,497	1,477,497	939,476	944,754
Planning	1,493,296	2,180,249	2,180,249	1,960,868	1,966,269
Convention and Visitor's Bureau	733,965	663,797	666,797	-	-
	<u>6,884,583</u>	<u>7,820,623</u>	<u>7,823,623</u>	<u>5,556,924</u>	<u>5,628,222</u>
Total General Fund	<u>224,026,276</u>	<u>225,234,475</u>	<u>225,257,537</u>	<u>223,401,056</u>	<u>227,100,235</u>
<u>400 Behavioral Healthcare Svc Fun</u>					
Public Health					
Behavioral Healthcare Services	11,930,866	12,161,890	12,161,890	11,484,600	11,709,685
Total Behavioral Healthcare Svc Fun	<u>11,930,866</u>	<u>12,161,890</u>	<u>12,161,890</u>	<u>11,484,600</u>	<u>11,709,685</u>
<u>405 Public Law Library Fund</u>					
Parks, Recreation, and Cultural					
Law Library	84,823	33,757	33,757	33,757	33,757
Total Public Law Library Fund	<u>84,823</u>	<u>33,757</u>	<u>33,757</u>	<u>33,757</u>	<u>33,757</u>
<u>410 Social Services Fund</u>					
Public Health					
Social Services	23,933,527	27,341,863	27,341,863	28,361,026	29,769,432
Total Social Services Fund	<u>23,933,527</u>	<u>27,341,863</u>	<u>27,341,863</u>	<u>28,361,026</u>	<u>29,769,432</u>
<u>415 Comprehensive Services Fund</u>					
Public Health					
Social Services	238,211	-	-	-	-
CSA	6,476,760	8,684,352	8,684,352	8,617,041	9,438,607
	<u>6,714,971</u>	<u>8,684,352</u>	<u>8,684,352</u>	<u>8,617,041</u>	<u>9,438,607</u>
Total Comprehensive Services Fund	<u>6,714,971</u>	<u>8,684,352</u>	<u>8,684,352</u>	<u>8,617,041</u>	<u>9,438,607</u>
<u>420 Stormwater Management Fund</u>					
Fund Administration					
Fund Revenue	-	-	-	186,986	143,656
Public Works					
Storm Water Management	4,087,191	4,871,023	4,871,023	5,199,079	5,650,985
Total Stormwater Management Fund	<u>4,087,191</u>	<u>4,871,023</u>	<u>4,871,023</u>	<u>5,386,065</u>	<u>5,794,641</u>
<u>435 Willett Hall Fund</u>					
Community and Economic Development					
Willett Hall	540,381	386,000	386,000	385,607	386,625
Total Willett Hall Fund	<u>540,381</u>	<u>386,000</u>	<u>386,000</u>	<u>385,607</u>	<u>386,625</u>

**City of Portsmouth
Fiscal Year 2010-2011 Adopted Budget Fund Summary**

Business Units	FY 2008 Actual	FY 2009 Adopted	FY 2009 Amended	FY 2010 Adopted	FY 2011 Planned
<u>440 Recreation Fund</u>					
Parks, Recreation, and Cultural Recreation Fund	331,775	600,000	600,000	600,000	600,000
Total Recreation Fund	<u>331,775</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
<u>500 Cemetery Fund</u>					
Public Works Cemetery Perpetual Care	-	100,000	100,000	100,000	100,000
Total Cemetery Fund	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<u>630 New Port Community Development Authority</u>					
Community and Economic Development New Port Community Development Authority	-	-	840,006	960,220	960,220
Total New Port Community Development Authority	<u>-</u>	<u>-</u>	<u>840,006</u>	<u>960,220</u>	<u>960,220</u>
<u>700 Public Utility Fund</u>					
Public Works Public Utilities	30,620,001	37,306,460	37,306,460	37,744,916	40,427,545
Total Public Utility Fund	<u>30,620,001</u>	<u>37,306,460</u>	<u>37,306,460</u>	<u>37,744,916</u>	<u>40,427,545</u>
<u>720 Golf Fund</u>					
Parks, Recreation, and Cultural Golf Services	2,520,661	2,908,772	2,908,772	2,629,773	2,676,669
Total Golf Fund	<u>2,520,661</u>	<u>2,908,772</u>	<u>2,908,772</u>	<u>2,629,773</u>	<u>2,676,669</u>
<u>730 Port Fund</u>					
Community and Economic Development Port Facility and Economic Development	575,000	-	-	-	-
Total Port Fund	<u>575,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>740 Waste Management Fund</u>					
Fund Administration Fund Revenue	-	-	-	658,759	682,832
Public Works Waste Management	11,490,667	13,280,850	13,280,850	12,622,091	12,598,018
Total Waste Management Fund	<u>11,490,667</u>	<u>13,280,850</u>	<u>13,280,850</u>	<u>13,280,850</u>	<u>13,280,850</u>
<u>750 Portsmouth Parking Authority</u>					
Public Works Parking Authority	1,675,124	1,930,720	1,930,720	1,836,497	1,764,157
Total Portsmouth Parking Authority	<u>1,675,124</u>	<u>1,930,720</u>	<u>1,930,720</u>	<u>1,836,497</u>	<u>1,764,157</u>
<u>800 City Garage Fund</u>					
Public Works City Garage	7,162,847	9,965,796	9,965,796	8,369,258	8,007,136
Total City Garage Fund	<u>7,162,847</u>	<u>9,965,796</u>	<u>9,965,796</u>	<u>8,369,258</u>	<u>8,007,136</u>

**City of Portsmouth
Fiscal Year 2010-2011 Adopted Budget Fund Summary**

Business Units	FY 2008 Actual	FY 2009 Adopted	FY 2009 Amended	FY 2010 Adopted	FY 2011 Planned
<u>810 Information Technology Fund</u>					
General Government					
Information Technology	4,370,337	4,335,313	4,335,313	3,883,150	3,998,535
Telecommunications	1,478,447	1,526,605	1,526,605	1,333,078	1,217,611
	<u>5,848,784</u>	<u>5,861,918</u>	<u>5,861,918</u>	<u>5,216,228</u>	<u>5,216,146</u>
Total Information Technology Fund	5,848,784	5,861,918	5,861,918	5,216,228	5,216,146
<u>820 Risk Management Fund</u>					
General Government					
Procurement And Risk Management	5,022,599	6,913,255	6,913,255	6,152,797	6,152,797
Total Risk Management Fund	5,022,599	6,913,255	6,913,255	6,152,797	6,152,797
<u>830 Health Insurance Fund</u>					
General Government					
Health Insurance Fund	12,844,649	21,925,806	21,925,806	17,319,592	17,640,592
Total Health Insurance Fund	12,844,649	21,925,806	21,925,806	17,319,592	17,640,592
<u>900 Portsmouth City Public Schools</u>					
Education					
Public Education	164,878,037	179,836,403	179,836,403	176,033,360	176,033,360
Total Portsmouth City Public Schools	164,878,037	179,836,403	179,836,403	176,033,360	176,033,360
<u>910 Community Development</u>					
Community and Economic Development					
Community Planning and Development Program	-	2,874,926	2,874,926	3,598,878	3,598,878
Total Community Development	-	2,874,926	2,874,926	3,598,878	3,598,878
<u>999 Economic Stimulus Fund</u>					
Education					
Economic Stimulus	-	-	-	5,870,282	-
Total Economic Stimulus Fund	-	-	-	5,870,282	-
City Total Budget	514,288,179	562,218,266	563,081,335	557,381,803	560,691,332