

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

ECONOMIC, DEMOGRAPHIC AND OTHER FACTORS AFFECTING REVENUES

The revenue budget for the City of Chesapeake consists of over 500 line items representing different sources. More than 200 of these reside in the General Fund. Local revenues comprise 84% of General Fund, while intergovernmental transfers from state and federal sources make up the other 16% of resources. The amount of revenue from each source is governed by a distinct set of conditions particular to that source. In the case of intergovernmental revenues from state and federal agencies, the policies and budgetary capacity of the respective governments are the key factors. In addition, local conditions such as the size of program-designated populations, staffing formulas and other factors come into play. For enterprise funds, the volume of demand and size of the population served ("market") under a given rate structure are key factors.

The largest revenue component, and the core of the resource base that constitutes the City's ability to provide services, is the local revenue portion of the General Fund. The size of the local population, its employment and income, the level of economic activity within the City, and the growth of invested value in the form of residential and commercial construction, business investment in plant and equipment, and demand for local real property are at the core of the local revenue base. National, State, and Regional economic conditions directly affect the local revenue base by creating demand for goods and services produced in the City, driving investment returns and interest rates, and creating employment opportunities. Lastly, defense spending on military personnel, supplies and contract services continues to play a significant role in the regional economy. Some of these factors are described below.

NATIONAL ECONOMIC OUTLOOK

Among the important factors influencing local government revenues from the standpoint of the national economy are growth in the amount of goods and services produced by the nation as a whole as measured by the Gross Domestic Product, growth in employment, the trend in price levels as measured by the urban Consumer Price Index, and interest rates that govern the City's cost of long term capital and the return it earns on its cash reserves ("working capital"). The economic vigor of the nation as a whole also reflects the strength of market demand for much of the non-military goods and services exported by the Hampton Roads region. *The Business Cycle Dating Committee of the National Bureau of Economic Research has determined that the severe recession which began in December of 2007 reached its trough in July 2009. However, employment, incomes and production remain relatively stagnant under conditions of low inflation and interest rates. The recovery is expected to be slow and take several years. The recovery is threatened by an ongoing dispute over fiscal policy and by legislation that has imposed spending constraints on the Federal government that will have a particularly large effect on defense spending.*

Congressional Budget Office

Economic Forecast for Calendar Years 2013 through 2015

Includes Presidents Budget	Actual		Forecast		
<u>January 2013 Forecast</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Nominal GDP Growth	3.98%	4.09%	2.91%	4.42%	6.23%
Real GDP Growth	1.81%	2.26%	1.42%	2.61%	4.14%
Consumer Price Index Change	3.14%	2.08%	1.56%	1.87%	2.09%
Employment Growth	1.16%	1.43%	1.04%	1.29%	1.91%
Three-Month Treasury Bill Rate	0.05%	0.09%	0.09%	0.15%	0.19%
Ten-Year Treasury Note Rate	2.79%	1.80%	2.08%	2.66%	3.47%

Philadelphia Federal Reserve

Economic Forecast for Calendar Years 2013 through 2015

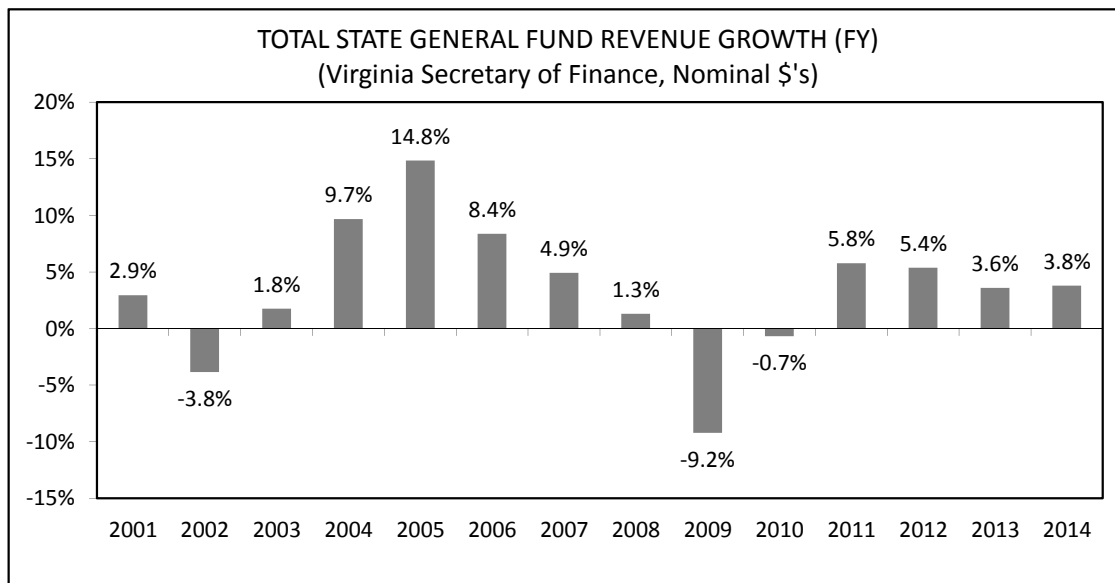
Survey of Professional Forecasters	Actual		Forecast		
<u>Median Forecasts 1st Qtr 2013</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Nominal GDP Growth	3.98%	4.09%	3.60%	4.70%	N.A.
Real GDP Growth	1.81%	2.26%	1.90%	2.80%	2.90%
Consumer Price Index Change	3.14%	2.08%	2.00%	2.20%	2.30%
Employment Growth	1.16%	1.43%	1.50%	1.60%	N.A.
Three-Month Treasury Bill Rate	0.05%	0.09%	0.10%	0.20%	0.60%
Ten-Year Treasury Note Rate	2.79%	1.80%	2.10%	2.60%	3.30%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

STATE ECONOMIC OUTLOOK

The most important aspect of economic conditions at the state level is their implications for the budget of the State of Virginia and, thereby, for intergovernmental revenues for state support of local government services and state imposed mandates. State revenue growth provides opportunity to address key hard infrastructure issues such as roads and bridges, as well as social infrastructure such as education and public safety. Also important is the state's ability to sustain its commitment to funding programs such as road maintenance and the Personal Property Tax Relief Act.



VIRGINIA STATE GENERAL FUND REVENUES (\$ 000's)

	<u>Fiscal Year</u>	<u>Amount</u>	<u>Change</u>
	2000	\$10,788,482	
	2001	\$11,105,275	2.9%
	2002	\$10,678,954	-3.8%
	2003	\$10,867,149	1.8%
	2004	\$11,917,867	9.7%
	2005	\$13,687,252	14.8%
	2006	\$14,834,298	8.4%
	2007	\$15,565,827	4.9%
	2008	\$15,766,951	1.3%
	2009	\$14,315,060	-9.2%
	2010	\$14,219,477	-0.7%
	2011	\$15,040,200	5.8%
	2012	\$15,846,665	5.4%
Forecast	2013	\$16,416,500	3.6%
Forecast	2014	\$17,037,100	3.8%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

REGIONAL ECONOMIC OUTLOOK

The regional economy is an important component of the local revenue base. The demand for goods and services "exported" out of the region creates employment and income for City residents and businesses in the production of finished goods and services and of goods and services used as inputs to the finished product. Likewise, income earned by residents of Chesapeake and other localities in the region creates a demand for consumer goods and services, including retail sales, provided by Chesapeake businesses. These activities and the associated income generate wealth, investment and property values within the City. The region obtains 45% of its economy from Federal spending, primarily in defense, and another 5% or so from social programs (SSI, Medicare, Medicaid, etc).

Hampton Roads Regional Forecasts

January 2013

Hampton Roads

Planning District

Old Dominion

Component Forecast for Calendar Year 2013

Commission

University

Real Gross Regional Product (1996=100)

1.90%

1.68%

Civilian Non-Agricultural Employment

0.80%

0.70%

Taxable Sales

2.10%

3.70%

Hotel Revenues

n.a

3.30%

General Cargo Tonnage

n.a

4.20%

Value Of Single Family Housing Permits

5.00%

8.20%

Auto Sales

3.40%

n.a.

LOCAL ECONOMIC CONDITIONS

Key local economic drivers underlying the municipal revenue base are population growth, employment, construction, property values, and commercial activity. Chesapeake's economy derives substantially from its role in providing labor to the regional economy, with 59% of its employed residents traveling to work in other localities. Approximately half of the city's commercial sector supplies the retail and service needs of the city's residents. An increasing volume of commercial activity in the city contributes directly and indirectly to the region's export base, including domestic and international trade and defense-related products and services. Population growth and the associated boom in residential and commercial construction through the 1990's and into the early 2000's provided the City with a period of rapid growth in its revenue base. The speculative bubble in real estate further accelerated revenue growth. Since the recession of 2007-2009, the pace of local economic activity has slowed, with contraction in real estate values making retrenchment of municipal services necessary.

Comparative Rates of Growth in Gross Domestic Product and Total Personal Income

Source: Bureau of Economic Analysis Regional Economic Data (Not adjusted for inflation.)

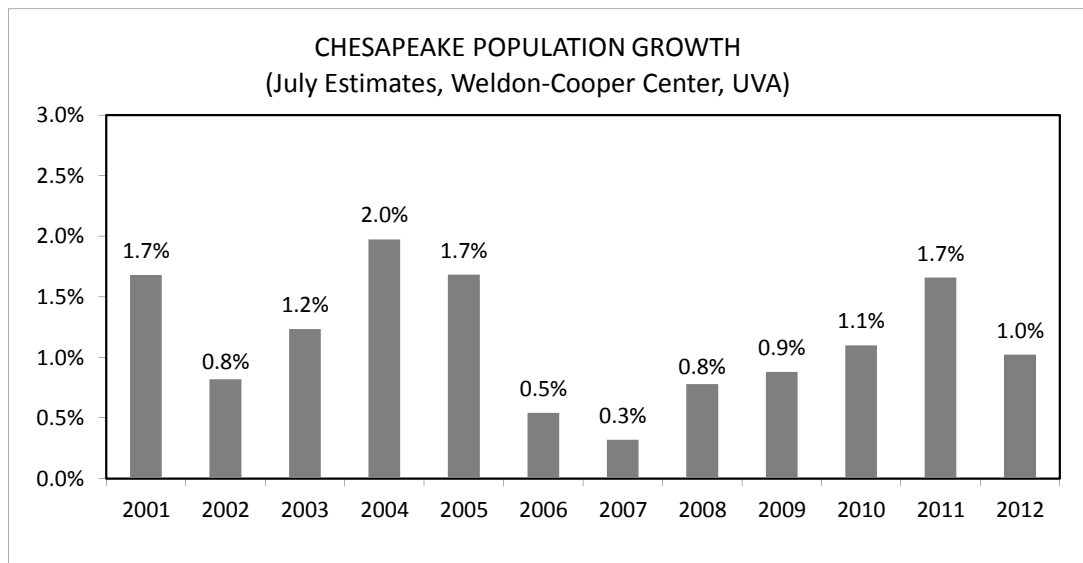
<u>Calendar Year</u>	<u>Growth in Gross Domestic Product</u>			<u>Growth in Total Personal Income</u>	
	<u>US</u>	<u>Virginia</u>	<u>Hampton Roads</u>	<u>Hampton Roads</u>	<u>Chesapeake</u>
2000	6.43%	7.39%	n.a.	7.22%	7.75%
2001	3.38%	7.01%	n.a.	7.19%	8.51%
2002	3.47%	3.86%	6.44%	4.78%	6.26%
2003	4.69%	5.66%	7.05%	6.66%	7.61%
2004	6.38%	7.22%	6.17%	5.83%	5.54%
2005	6.49%	8.14%	7.19%	5.54%	5.41%
2006	5.98%	5.11%	6.49%	7.32%	7.00%
2007	4.87%	4.01%	5.17%	5.65%	6.70%
2008	1.84%	2.14%	2.08%	3.70%	2.98%
2009	-2.53%	1.77%	1.59%	-2.24%	-0.80%
2010	4.21%	3.56%	0.48%	3.27%	3.63%
2011	3.92%	2.28%	1.34%	4.96%	4.94%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Population

Population is a key driver for both revenues, particularly consumption-driven sources such as restaurant and sales tax, and service demand for roads, schools, public safety and social amenities. During its first two decades as a City, annual population growth in Chesapeake averaged 2.5%. From 1984 to 1995, annual population growth averaged 3.6%. After 1995, it tapered off to an average of 1.3%. The school system is attractive to new households seeking to capitalize the cost of primary and secondary school education by locating in high end residential suburban areas with comparable public schools in lieu of lower cost urban housing and private school education. While population growth increases the tax base, it also increases the demand for infrastructure and municipal service expenditures. The population estimates shown here are prepared by the University of Virginia's Weldon Cooper Center for July of each calendar year.



CHESAPEAKE CITY JULY POPULATION ESTIMATES

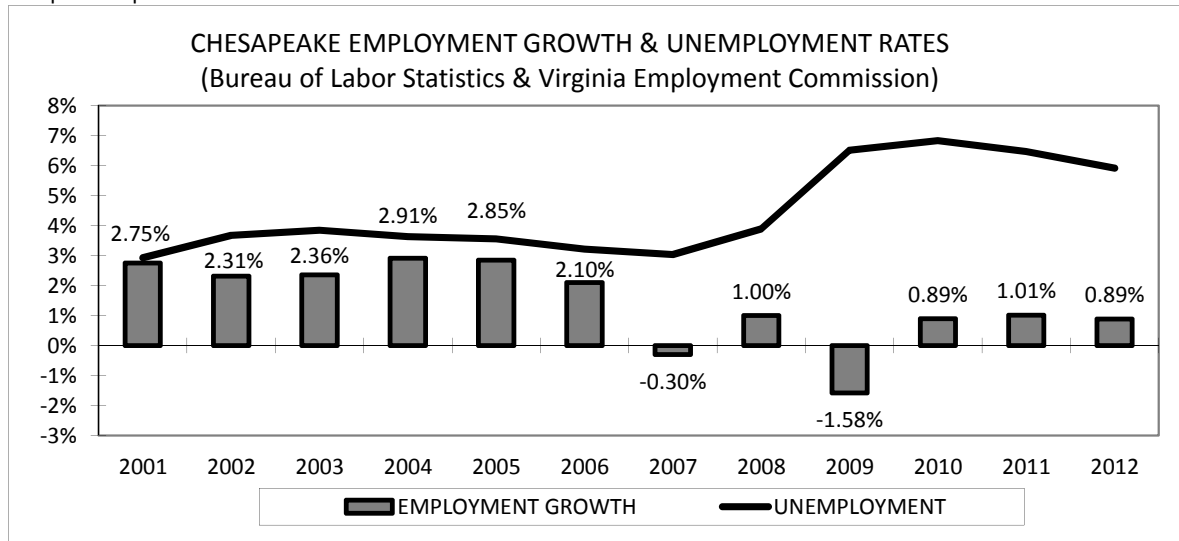
<u>Calendar Year</u>	<u>Population</u>	<u>Change</u>
2000	199,184	
2001	202,532	1.7%
2002	204,194	0.8%
2003	206,713	1.2%
2004	210,794	2.0%
2005	214,342	1.7%
2006	215,504	0.5%
2007	216,192	0.3%
2008	217,876	0.8%
2009	219,795	0.9%
2010	222,209	1.1%
2011	225,898	1.7%
2012	228,210	1.0%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Employment of Residents

The number of income earners residing in the City, employed both locally and outside Chesapeake, grew faster than population during the decade of the 1990's, with a long term trend of decline in unemployment. The year 2000 reflects an adjustment anomaly in data for both population and employment to true up to the U.S. Census. The recession of 2007-2009 showed much milder effects locally and in the region than in the larger geographic context, largely due to the stabilizing effect of the defense industry sector that supports 45% of the regional economy. The way forward into the economic recovery and the creation of enough jobs to employ the labor force has become uncertain due to Federal budget cuts that took effect in January 2013, an impasse over fiscal policy in the national legislatures, and a partiality toward premature fiscal austerity by both political parties.



EMPLOYMENT AND UNEMPLOYMENT AMONG CHESAPEAKE RESIDENTS

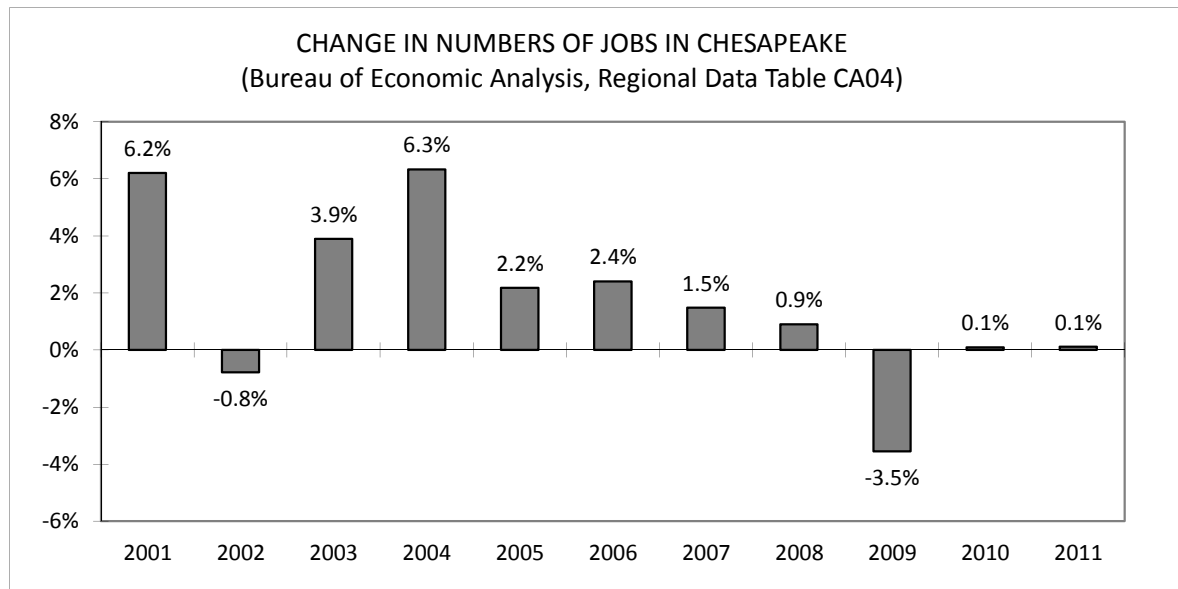
Calendar Year	Labor Force	Employed	Change	Unemployed	Change	Unemployment
2000	97,374	95,161		2,213		2.27%
2001	100,735	97,781	2.75%	2,954	33.48%	2.93%
2002	103,859	100,042	2.31%	3,817	29.21%	3.68%
2003	106,494	102,402	2.36%	4,092	7.20%	3.84%
2004	109,364	105,385	2.91%	3,979	-2.76%	3.64%
2005	112,386	108,388	2.85%	3,998	0.48%	3.56%
2006	114,347	110,665	2.10%	3,682	-7.90%	3.22%
2007	113,782	110,329	-0.30%	3,453	-6.22%	3.03%
2008	115,950	111,433	1.00%	4,517	30.81%	3.90%
2009	117,314	109,673	-1.58%	7,641	69.16%	6.51%
2010	118,778	110,654	0.89%	8,124	6.32%	6.84%
2011	119,508	111,771	1.01%	7,737	-4.76%	6.47%
2012	119,861	112,762	0.89%	7,098	-8.25%	5.92%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Jobs In Chesapeake

Jobs located in Chesapeake are one indication of commercial development and the consequent diversification of the tax base supporting local infrastructure, amenities and public services. Growth in local jobs from commercial development also translates into increased workday populations and contributes to consumption-related revenue growth. While still a net exporter of labor to the region, the gap between the number of employed residents and the number of jobs located in Chesapeake is narrowing. The effects of the 2007-09 recession combined with closure of Joint Forces Command (JFCOM) facilities in Norfolk and Suffolk resulted in the loss of some 4,488 jobs in the City. Recovery is expected to be slow, with net gain of only 251 jobs in the succeeding years for which data is available.



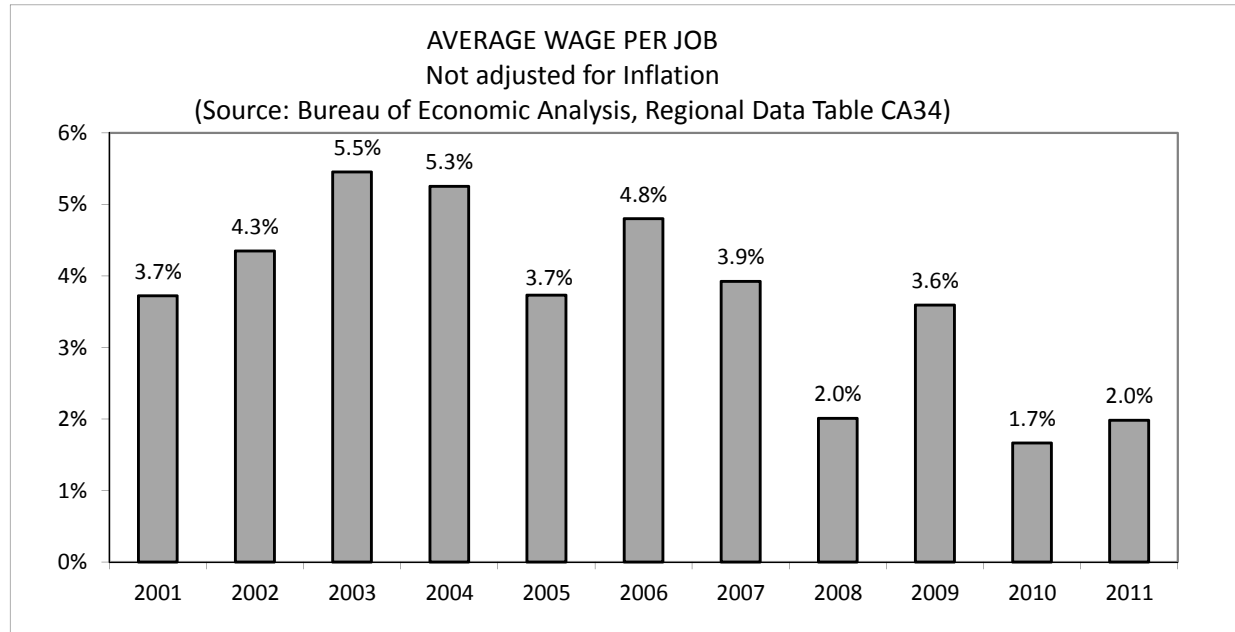
NUMBER OF JOBS IN CHESAPEAKE						
<u>Calendar Year</u>	<u>Wage & Salary</u>	<u>Change</u>	<u>Proprietors</u>	<u>Change</u>	<u>Total</u>	<u>Change</u>
2000	88,092		13,359		101,451	
2001	93,738	6.4%	14,011	4.9%	107,749	6.2%
2002	93,408	-0.4%	13,502	-3.6%	106,910	-0.8%
2003	96,312	3.1%	14,758	9.3%	111,070	3.9%
2004	101,775	5.7%	16,328	10.6%	118,103	6.3%
2005	103,770	2.0%	16,910	3.6%	120,680	2.2%
2006	106,300	2.4%	17,287	2.2%	123,587	2.4%
2007	107,155	0.8%	18,270	5.7%	125,425	1.5%
2008	106,708	-0.4%	19,853	8.7%	126,561	0.9%
2009	102,224	-4.2%	19,849	0.0%	122,073	-3.5%
2010	102,297	0.1%	19,889	0.2%	122,186	0.1%
2011	102,143	-0.2%	20,181	1.5%	122,324	0.1%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Wages in Chesapeake

Average wages for jobs located in Chesapeake remain below state and regional averages. This is in part due to the concentration of job creation in the service sector.



AVERAGE WAGES (NOT INFLATION-ADJUSTED)

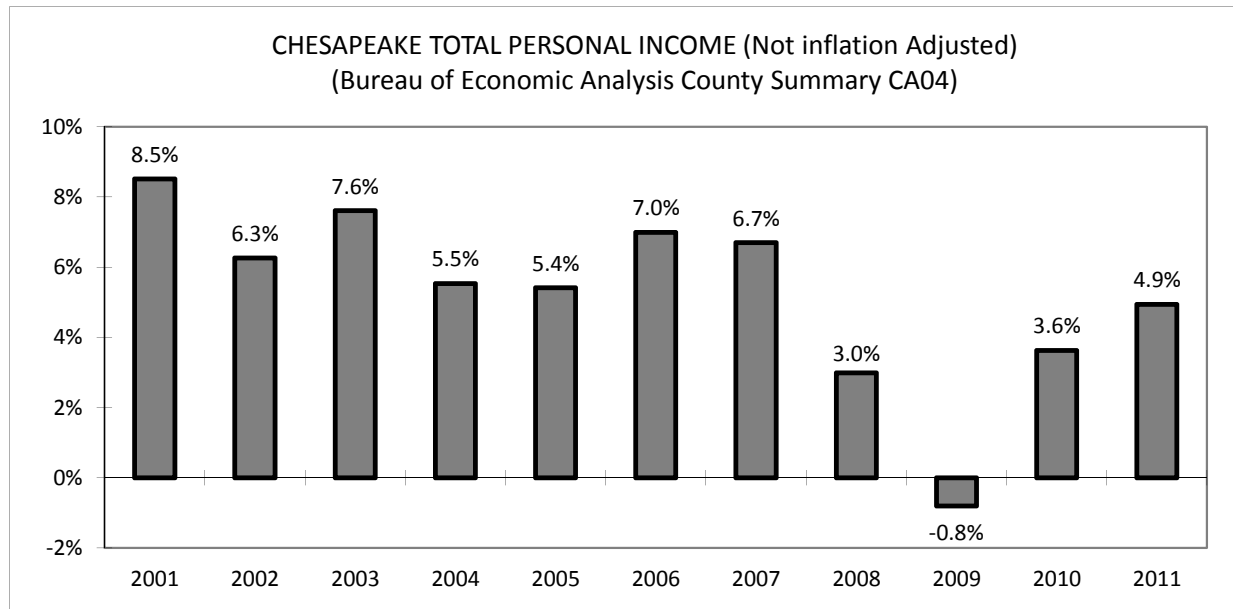
<u>Calendar Year</u>	<u>Virginia</u>	<u>Change</u>	<u>Hampton Roads MSA</u>	<u>Change</u>	<u>Chesapeake</u>	<u>Change</u>
2000	35,267		29,507		26,694	
2001	36,890	4.6%	31,230	5.8%	27,688	3.7%
2002	37,565	1.8%	32,592	4.4%	28,892	4.3%
2003	39,247	4.5%	34,273	5.2%	30,467	5.5%
2004	41,319	5.3%	35,685	4.1%	32,067	5.3%
2005	43,166	4.5%	36,975	3.6%	33,263	3.7%
2006	45,092	4.5%	38,974	5.4%	34,859	4.8%
2007	47,221	4.7%	40,796	4.7%	36,226	3.9%
2008	48,470	2.6%	41,835	2.5%	36,954	2.0%
2009	49,461	2.0%	42,898	2.5%	38,282	3.6%
2010	50,948	3.0%	43,691	1.8%	38,918	1.7%
2011	52,072	2.2%	44,666	2.2%	39,688	2.0%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Income of Residents

Closely related to employment is income, another important driver of consumption-related tax revenues. Total personal income adjusted for changes in purchasing power (rising price levels, inflation) continues to rise. The rate of growth on a per capita basis is variable but strongly positive since 1996. Personal income drives wealth and consumption that form the base for local tax revenues. In turn, rising incomes reflect not only better economic opportunities for existing residents, but also immigration of high wage workers buying new homes in the City.



TOTAL PERSONAL INCOME IN MILLIONS (NOT INFLATION ADJUSTED)

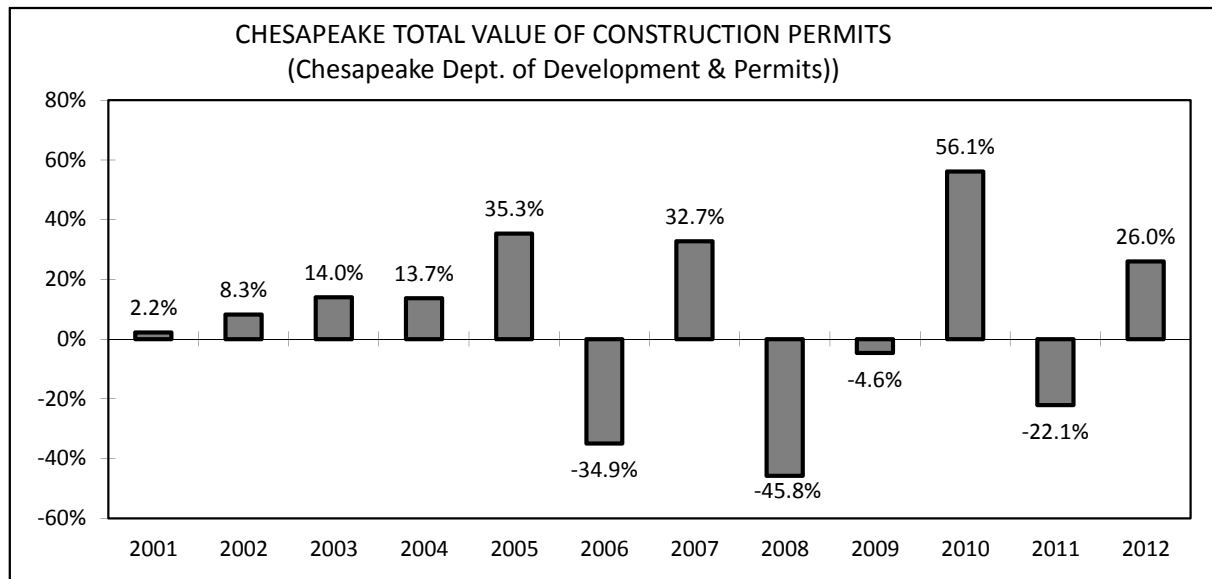
Calendar Year	Virginia	Change	Hampton Roads MSA	Change	Chesapeake	Change
2000	224,788		42,294		5,464	
2001	239,315	6.5%	45,334	7.2%	5,929	8.5%
2002	245,841	2.7%	47,502	4.8%	6,300	6.3%
2003	258,087	5.0%	50,666	6.7%	6,780	7.6%
2004	275,618	6.8%	53,622	5.8%	7,155	5.5%
2005	294,734	6.9%	56,595	5.5%	7,542	5.4%
2006	316,298	7.3%	60,739	7.3%	8,070	7.0%
2007	335,319	6.0%	64,169	5.6%	8,611	6.7%
2008	350,091	4.4%	66,541	3.7%	8,868	3.0%
2009	340,256	-2.8%	65,052	-2.2%	8,796	-0.8%
2010	354,127	4.1%	67,182	3.3%	9,116	3.6%
2011	373,312	5.4%	70,516	5.0%	9,566	4.9%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Development

Real Estate taxes make up the largest single component of General Fund revenues. Growth in assessed values, therefore the tax base, is driven by the market for existing structures, expansions and improvements, and by new construction. In addition, construction activity generates employment and subsidiary economic activity, from building supplies to restaurant meals. Changes in construction activity can, among other effects, affect taxes generated by retail activity, restaurant sales, and business licenses.



TOTAL VALUE OF CONSTRUCTION PERMITS
(Residential includes apartments, All Permits includes other structures, alterations and additions)

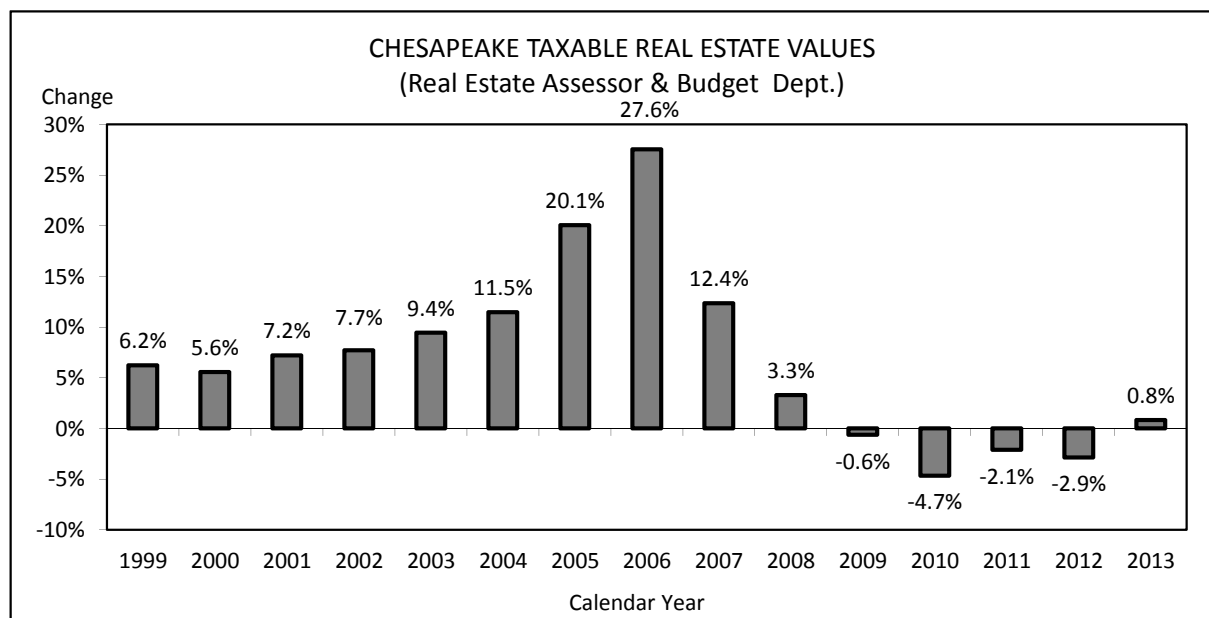
Calendar Year	New Residential	Change	New Commercial	Change	Total All Permits	Change
2000	\$125,056,606		\$60,019,334		\$260,745,003	
2001	\$135,327,599	8.2%	\$56,955,840	-5.1%	\$266,591,862	2.2%
2002	\$170,238,628	25.8%	\$37,149,460	-34.8%	\$288,595,473	8.3%
2003	\$212,407,667	24.8%	\$45,496,075	22.5%	\$329,091,358	14.0%
2004	\$226,688,931	6.7%	\$57,741,928	26.9%	\$374,221,829	13.7%
2005	\$274,987,295	21.3%	\$85,518,566	48.1%	\$506,269,135	35.3%
2006	\$137,156,414	-50.1%	\$87,840,018	2.7%	\$329,352,798	-34.9%
2007	\$131,375,723	-4.2%	\$128,212,973	46.0%	\$437,143,869	32.7%
2008	\$91,701,020	-30.2%	\$49,639,912	-61.3%	\$236,915,429	-45.8%
2009	\$140,134,639	52.8%	\$28,153,692	-43.3%	\$225,927,729	-4.6%
2010	\$201,436,453	43.7%	\$23,234,220	-17.5%	\$352,713,800	56.1%
2011	\$184,509,765	-8.4%	\$28,859,835	24.2%	\$274,785,536	-22.1%
2012	\$255,583,853	38.5%	\$145,974,051	405.8%	\$346,149,861	26.0%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Real Estate Values

The market value of real estate in Chesapeake is estimated annually in January by the City's real estate assessor. Valuations take into account construction cost, fair market prices of similar properties sold in the previous calendar year, and income generation (in the case of commercial properties). January revaluations are reflected in the tax bills issued in the following fiscal year (e.g. January 2005 revaluations affect tax bills for July 2005 through June 2006). In addition, growth in real estate values occurs through subdivision, rezoning, change in land use, new construction, expansions and improvements to existing structures. Rapid growth of assessments during the recent bubble resulted in reductions in the General Fund component of the tax rate from \$1.24 per \$100 value in FY05 to \$1.21 in FY06, \$1.09 in FY07, and \$1.04 in FY08 - a total reduction of 16.1%. The mosquito control rate was also reduced from \$0.02 to \$0.01 in FY08. Decline in values and construction activity significantly affected General Fund revenues in the years immediately following 2007. Additional information can be found in the Annual Report of the Real Estate Assessor's Office at this internet address: www.chesapeake.va.us/services/depart/real-est/index.shtml



TAXABLE LAND BOOK VALUES & REVALUATION OF EXISTING PROPERTIES

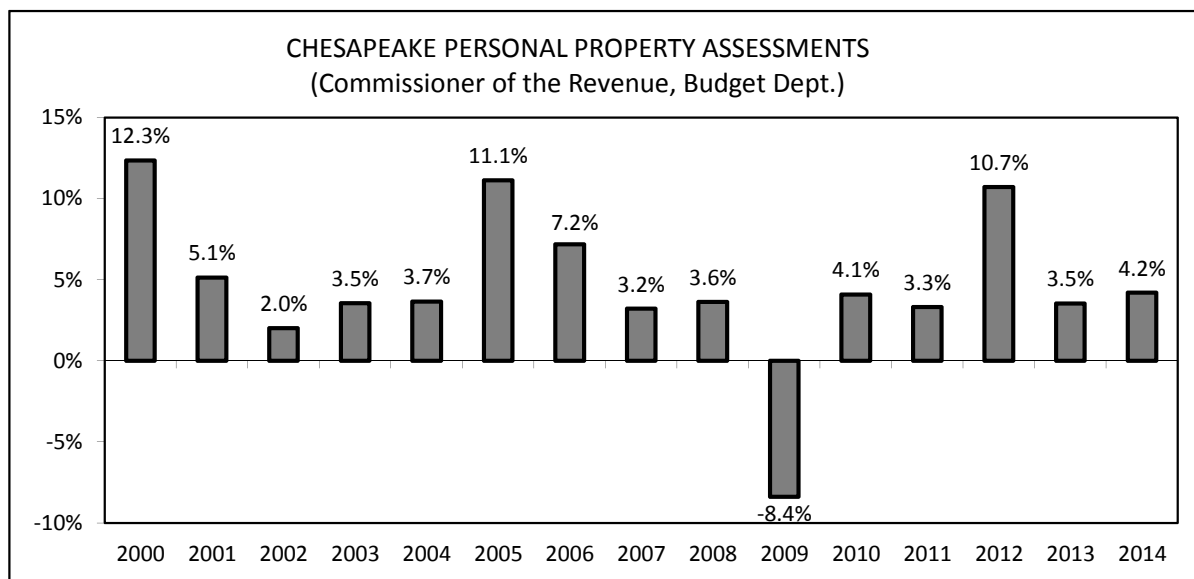
	Jan, July of Calendar Year	Taxable in Fiscal Year	July 1 Land Book (\$'s)	January 1 Revaluation	Change in Land Book
	1999	2000	9,302,371,434	2.35%	6.2%
	2000	2001	9,820,128,918	2.25%	5.6%
	2001	2002	10,527,780,299	4.30%	7.2%
	2002	2003	11,341,502,218	4.64%	7.7%
	2003	2004	12,412,427,395	6.99%	9.4%
	2004	2005	13,835,216,171	7.89%	11.5%
	2005	2006	16,612,591,512	16.18%	20.1%
	2006	2007	21,190,154,032	23.92%	27.6%
	2007	2008	23,807,521,974	9.70%	12.4%
	2008	2009	24,594,576,336	1.41%	3.3%
	2009	2010	24,446,289,217	-1.79%	-0.6%
	2010	2011	23,306,143,046	-5.52%	-4.7%
	2011	2012	22,818,256,324	-3.13%	-2.1%
Budget	2012	2013	22,164,609,234	-3.77%	-2.9%
Forecast	2013	2014	22,350,157,992	-0.54%	0.8%

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Personal Property

Taxable personal property is the second largest source of local revenues. Motor vehicles make up the largest component of Personal Property Tax revenues, about 76%. Change in assessed values (tax base) of motor vehicles is affected by the size and age of the vehicle stock and by market prices of new and used vehicles. These factors are in turn influenced by personal income, business activity and development, new and used vehicle prices, fuel prices, interest rates, and population growth. The most important driver of vehicle assessed values is the December auction market, which determines the values in the January NADA pricing guide used to assign assessed values to most vehicles. The used vehicle auction market introduces considerable year-to-year volatility to this component. Vehicles per capita, rising since 1996, is about 0.94. Average vehicle value is relatively low at about \$6,753 in 2012. The second major component of the personal property tax base includes business equipment and fixtures, motor carriers, farm equipment, and machinery and tools. These comprise about 20% of this tax base. Commercial personal property is governed by equipment life and replacement cycles, changes in technology, firms' anticipation of changes in economic activity, and the availability and cost of capital.



TAXABLE PERSONAL PROPERTY VALUES

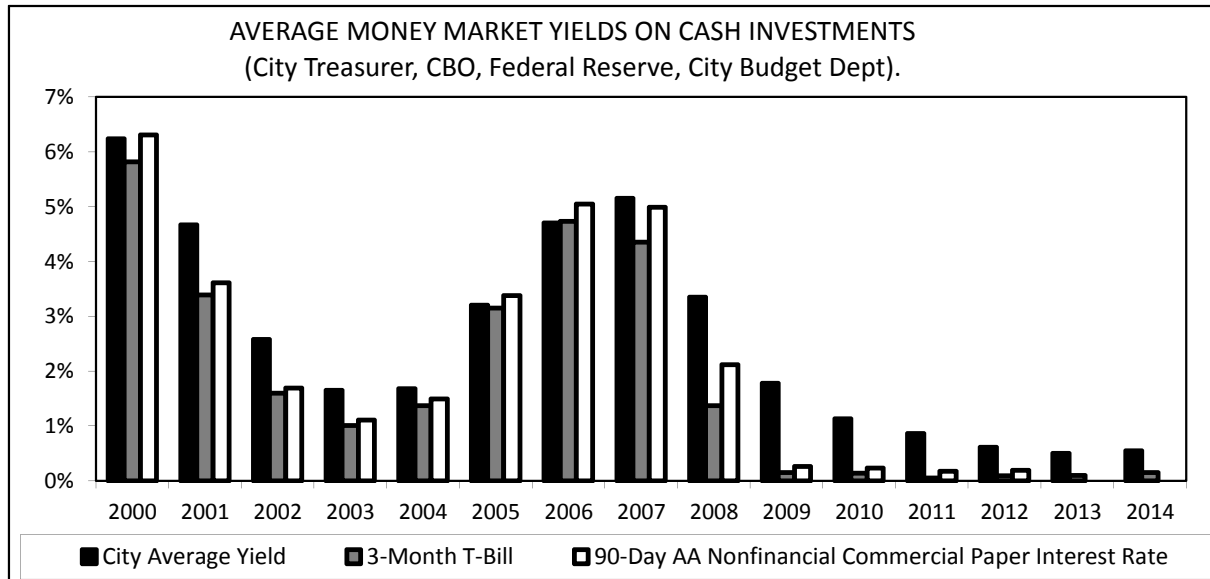
	<u>Fiscal Year</u>	<u>Motor Vehicles</u>	<u>Business/M&T Motor Carriers</u>	<u>Boats, Aircraft, RV, Motor Home</u>	<u>Total</u>	<u>Change in Assessments</u>
	2000	\$922,379,092	\$268,206,537	\$46,893,373	\$1,237,479,002	12.3%
	2001	\$966,774,843	\$286,477,097	\$47,592,639	\$1,300,844,579	5.1%
	2002	\$1,004,244,584	\$272,361,359	\$50,282,799	\$1,326,888,742	2.0%
	2003	\$1,041,693,964	\$278,987,134	\$53,262,637	\$1,373,943,735	3.5%
	2004	\$1,076,329,833	\$291,503,581	\$56,278,081	\$1,424,111,495	3.7%
	2005	\$1,205,887,805	\$311,839,443	\$64,840,239	\$1,582,567,487	11.1%
	2006	\$1,313,495,222	\$326,189,382	\$56,343,105	\$1,696,027,709	7.2%
	2007	\$1,338,242,510	\$349,545,822	\$62,561,972	\$1,750,350,304	3.2%
	2008	\$1,394,117,569	\$349,592,227	\$70,099,974	\$1,813,809,770	3.6%
	2009	\$1,227,011,359	\$365,769,770	\$68,928,445	\$1,661,709,574	-8.4%
	2010	\$1,290,394,651	\$368,978,765	\$70,120,045	\$1,729,493,461	4.1%
	2011	\$1,338,687,114	\$379,670,283	\$68,285,275	\$1,786,642,672	3.3%
	2012	\$1,468,368,776	\$377,662,214	\$68,785,129	\$1,914,816,119	10.7%
Estimated	2013	\$1,519,761,683	\$391,440,032	\$71,087,799	\$1,982,289,513	3.5%
Forecast	2014	\$1,585,111,436	\$405,654,408	\$74,767,877	\$2,065,533,720	4.2%
Component Share		76.7%	19.6%	3.6%		

REVENUE BUDGET

ECONOMIC CONSIDERATIONS

Interest Rates & Portfolio Yield

Short term interest rates govern the income from the City's cash portfolio which represents the invested cash portion of working capital and fund balances as well as proceeds from long term debt. Declining interest rates and Federal Reserve Bank monetary policies intended to assist economic recovery keep revenue earnings from working capital invested in short term portfolios at historically low levels.



AVERAGE YIELDS ON SHORT-TERM INVESTMENTS

Calendar Year	City Cash	3-Month T-Bill	90-Day AA Paper	
			Financial	Non-Financial
2000	6.24%	5.82%	6.33%	6.31%
2001	4.67%	3.39%	3.64%	3.61%
2002	2.58%	1.60%	1.70%	1.69%
2003	1.65%	1.01%	1.13%	1.11%
2004	1.68%	1.37%	1.52%	1.49%
2005	3.20%	3.15%	3.44%	3.38%
2006	4.70%	4.73%	5.06%	5.05%
2007	5.15%	4.35%	5.13%	4.99%
2008	3.35%	1.37%	2.64%	2.12%
2009	1.78%	0.15%	0.42%	0.26%
2010	1.13%	0.14%	0.29%	0.23%
2011	0.86%	0.05%	0.21%	0.17%
2012	0.61%	0.09%	0.20%	0.19%
Estimated 2013	0.50%	0.10%		
Forecast 2014	0.55%	0.15%		

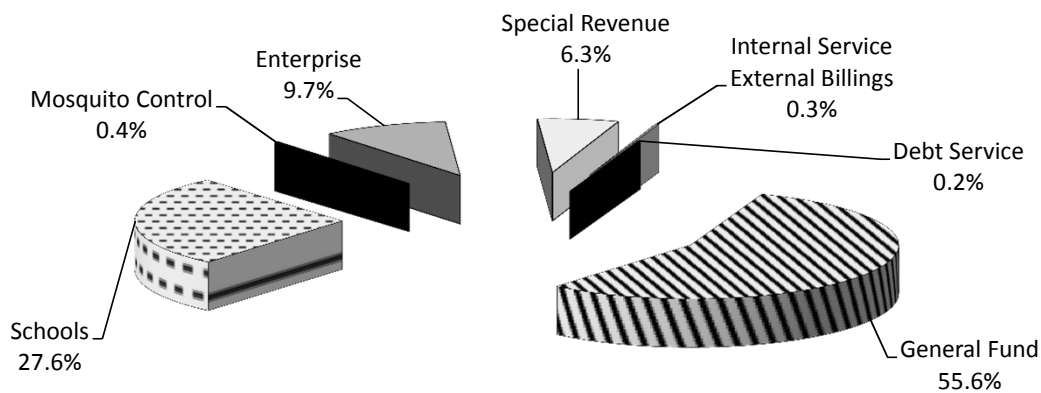
REVENUE BUDGET

DESCRIPTION OF FUNDS

COMPONENT FUNDS

The budget for the City of Chesapeake is separated into over 30 different funds. The sources of revenue are specified for each fund. These funds can be grouped into one of the six classifications of funds. The pie chart below depicts the budgeted revenues. Interfund transfers such as General Fund support of schools are not reflected in these data.

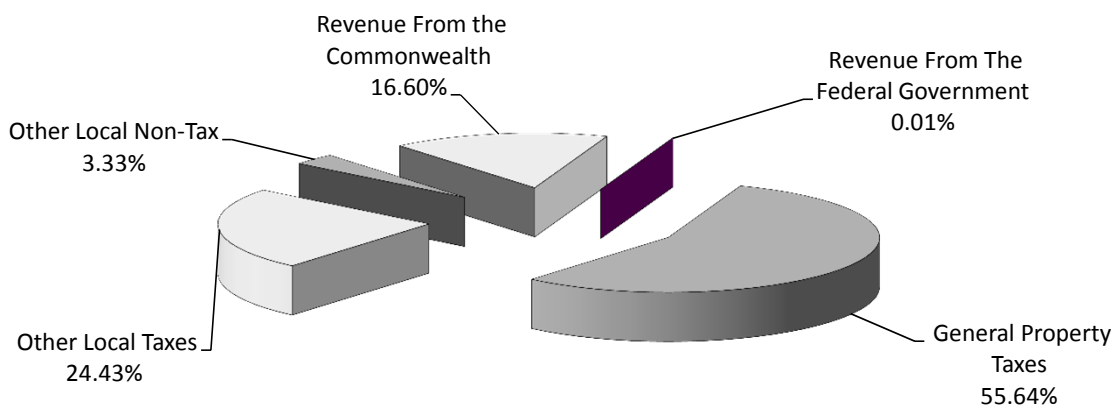
REVENUES BY FUND TYPE



GENERAL FUND REVENUE SOURCES

The revenues for the General Fund are made up of more than 150 specific revenue sources. Each of these revenue sources are accounted for separately and updated when funds are received.

GENERAL FUND SOURCES



REVENUE BUDGET

DESCRIPTION OF FUNDS

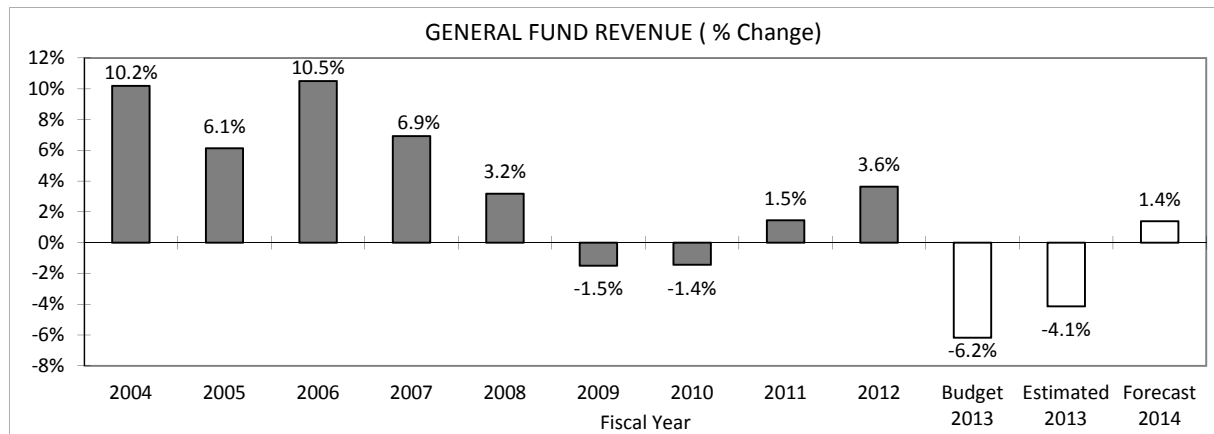
GENERAL FUND REVENUES

<u>Source</u>	<u>FY 13 Current*</u>	<u>FY 14 Estimated</u>	<u>Percent Increase</u>
General Property Taxes	\$ 279,880,844	\$ 281,642,284	0.6%
Other Local Taxes	\$ 113,444,245	\$ 123,667,398	9.0%
Permits, Privilege Fees & Licenses	\$ 1,973,388	\$ 2,400,631	21.7%
Fines and Forfeitures	\$ 2,302,130	\$ 2,815,367	22.3%
Use of Money & Property	\$ 740,775	\$ 1,214,422	63.9%
Charges for Services	\$ 8,651,565	\$ 10,306,971	19.1%
Miscellaneous Revenues	\$ 67,460	\$ 107,020	58.6%
Recovered Costs	\$ 200	\$ 302	100.0%
Revenue from the Commonwealth/Noncategorical Aid	\$ 29,141,994	\$ 30,684,889	5.3%
Revenue from the Commonwealth/Categorical Aid	\$ 52,293,485	\$ 53,338,535	2.0%
Revenue from the Federal Government	\$ 92,663	\$ 50,824	-45.2%
Total General	\$ 488,588,749	\$ 506,228,643	3.6%

*Includes revenue relocations effected in FY14

GENERAL FUND REVENUES

The General Fund accounts for the majority of revenues and expenditures of the City. Revenues are derived from property taxes, other local taxes, licenses, permits and fees, fines and forfeitures, use of money and property, charges for services, revenues from the Commonwealth, and revenues from the federal government. Brief descriptions and year-to-year growth trends in the major components are given below. The amounts used are those recorded in the final, end of year, financial database. Revenues supporting specific public services are sometimes reassigned among the General, Special Revenue and Enterprise Funds. These reassignments are often accompanied by corresponding changes in interfund transfers. The amounts shown below do not attempt to reflect the past in terms of the current structure of the General Fund, with the exception of the three adjustments given in the table.



CHESAPEAKE GENERAL FUND REVENUES

<u>Fiscal Year</u>	<u>Gross Revenue</u>	<u>Telecom</u>	<u>Waste Mgt</u>	<u>Less: Proffers</u>	<u>Net Revenue</u>	<u>Change</u>
2004	\$401,051,296	3,161,354		(\$250,000)	\$403,962,650	10.2%
2005	\$426,134,526	3,145,151		(\$520,057)	\$428,759,620	6.1%
2006	\$470,831,405	3,093,026		(\$134,470)	\$473,789,961	10.5%
2007	\$505,230,535	1,503,278		(\$148,576)	\$506,585,237	6.9%
2008	\$524,187,614			(\$1,431,906)	\$522,755,708	3.2%
2009	\$517,517,491			(\$2,532,964)	\$514,984,527	-1.5%
2010	\$505,354,359		\$2,296,111		\$507,650,470	-1.4%
2011	\$497,719,658	4,950,691	\$19,795,535		\$522,465,884	1.5%
2012	\$501,253,360	5,043,468	\$19,795,535		\$526,092,363	3.6%
Budget 2013	\$ 488,626,083	4,947,998			\$493,574,081	-6.2%
Estimated 2013	\$ 499,435,539	4,947,998			\$504,383,537	-4.1%
Forecast 2014	\$ 506,499,927	4,947,998			\$ 511,447,925	1.4%

REVENUE BUDGET

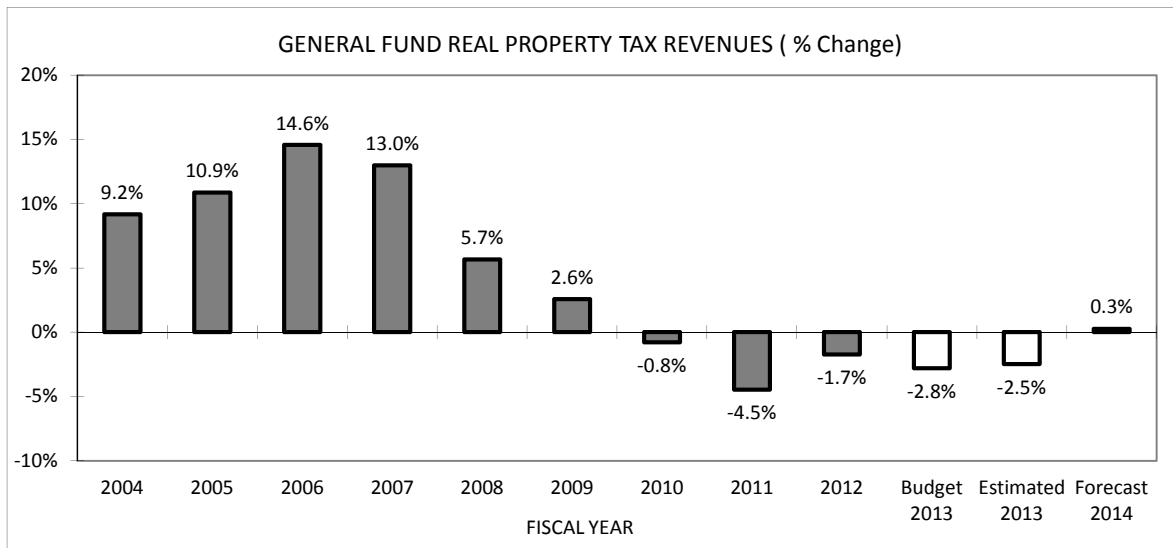
DESCRIPTION OF FUNDS

General Property Taxes

Property taxes are the largest component of General Fund revenues. Included are current and delinquent collections of real and personal property levies, public service (utility) corporation property taxes, and penalties and interest. For the purpose of analytical continuity, the graphs shown here include state revenues received under the Personal Property Tax Relief Act (PPTRA). Not included are the revenues from \$0.01/\$100 real estate and \$0.08/\$100 personal property rates levied for mosquito control (Fund 800).

Real Property Taxes

A real estate property tax is levied on the assessed value of real property located within the City. When structures are built, the real estate assessor prepares supplemental billings for the added value of the property. The current General Fund real estate tax rate is \$1.04 per \$100 of assessed value plus an additional \$0.01/\$100 mosquito control tax (not included here). The ratio of assessed value to appraised value is 100% in the case of real property. Effective with the 1992-93 fiscal year, real estate taxes are payable quarterly with payments due on September 30, December 31, March 31 and June 5. The budget projections are based on projected real estate values supplied by the Real Estate Assessors Office. Real Estate Taxes also accrue to the City's two Tax Increments Funds and to the Mosquito Control Funds, but at 100% of the tax billed. Any delinquencies in the taxes collected for these funds are reported in the General Fund when collected, as are any penalty and interest payments. Only the General Fund portion of the revenue is shown below.



CHESAPEAKE GENERAL FUND REAL ESTATE REVENUES

<u>Fiscal Year</u>	<u>Current</u>	<u>Delinquent</u>	<u>Total</u>	<u>Change</u>
2004	\$154,611,514	\$2,824,887	\$157,436,401	9.2%
2005	\$171,177,712	\$3,380,417	\$174,558,129	10.9%
2006	\$196,606,315	\$3,371,653	\$199,977,968	14.6%
2007	\$222,096,816	\$3,864,000	\$225,960,816	13.0%
2008	\$234,447,029	\$4,294,827	\$238,741,856	5.7%
2009	\$240,296,297	\$4,590,435	\$244,886,732	2.6%
2010	\$238,423,355	\$4,511,896	\$242,935,251	-0.8%
2011	\$228,177,643	\$3,903,217	\$232,080,860	-4.5%
2012	\$223,499,035	\$4,556,455	\$228,055,490	-1.7%
Budget 2013	\$217,904,623	\$3,786,900	\$221,691,523	-2.8%
Estimated 2013	\$217,904,623	\$4,500,000	\$222,404,623	-2.5%
Forecast 2014	\$218,483,254	\$4,500,000	\$222,983,254	0.3%

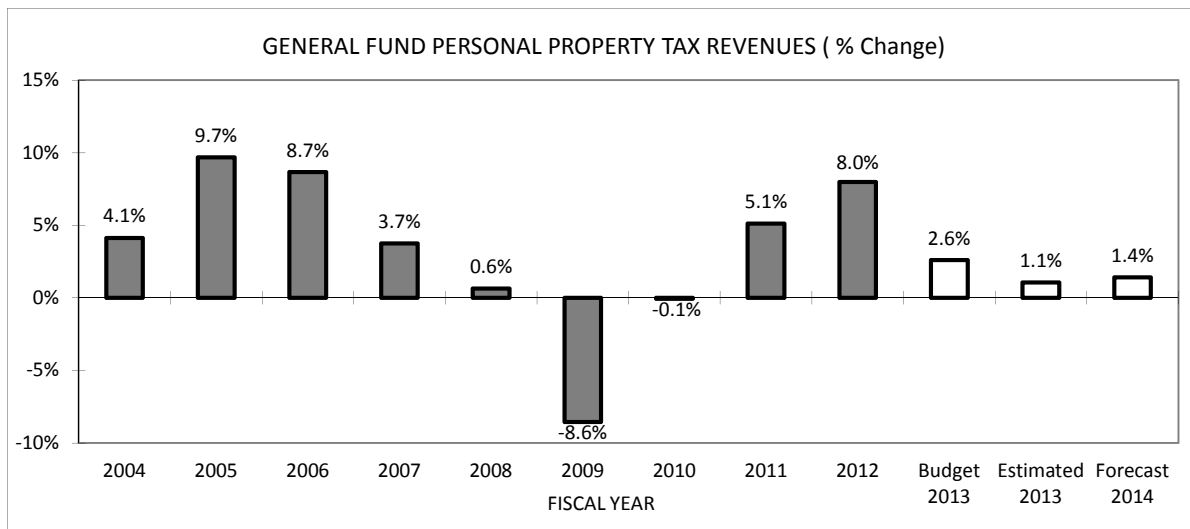
REVENUE BUDGET

DESCRIPTION OF FUNDS

Personal Property Taxes

The City also levies a personal property tax. This tax relates to all tangible personal property located in the City as of January 1 of the fiscal year in which such tax is due. The ratio of the assessed value of property to its appraised value varies for the several classes of personal property but generally is 100% of loan or NADA "blue book" value. Before fiscal year 1986, tangible personal property taxes were collected on December 5 and June 5. Beginning in fiscal year 1986, these taxes become due and payable once a year on June 5. Motor vehicles account for 75% to 80% of personal property assessments, with values tied to the volatile used vehicle auction markets in the 4th quarter of the calendar year. Current rate for most taxable assets is \$4.00/\$100 assessed value plus \$0.08/\$100 mosquito control tax (not included here). The Mosquito Control Fund accrues 100% of the revenues billed for this tax. Any delinquencies in the tax collected for that fund are reported as revenue in the General Fund when collected, as are any penalty and interest payments.

The Personal Property Tax Relief Act (PPTRA) of 1997 provides a program of tax relief to owners of vehicles operated for personal, non-commercial use, to the extent State General Fund resources allow. Vehicle owners are responsible for any amount not covered by PPTRA. About 78% of motor vehicles in the City are PPTRA-eligible. In FY98, refunds were sent directly to the taxpayer. Since FY99, revenue from current and delinquent personal property taxes have been split between payments by individual taxpayers listed under General Property Taxes, and inter-governmental revenue (PPTRA) listed under Non-categorical Aid from the Commonwealth. In FY99, the Commonwealth reimbursed the City for 27.5% of the tax due, based on billings and receipts from taxpayers. This amount increased to 47.5% in FY00 and 70% in FY01. It is capped at the FY05 local total allocation for FY06 and thereafter, for the City as a whole at \$28,590,001, so individual taxpayers will receive a decreasing benefit over time as the number and value of vehicles increases.



CHESAPEAKE GENERAL FUND PERSONAL PROPERTY TAX REVENUES INCLUDING PPTRA & NET OF REFUNDS

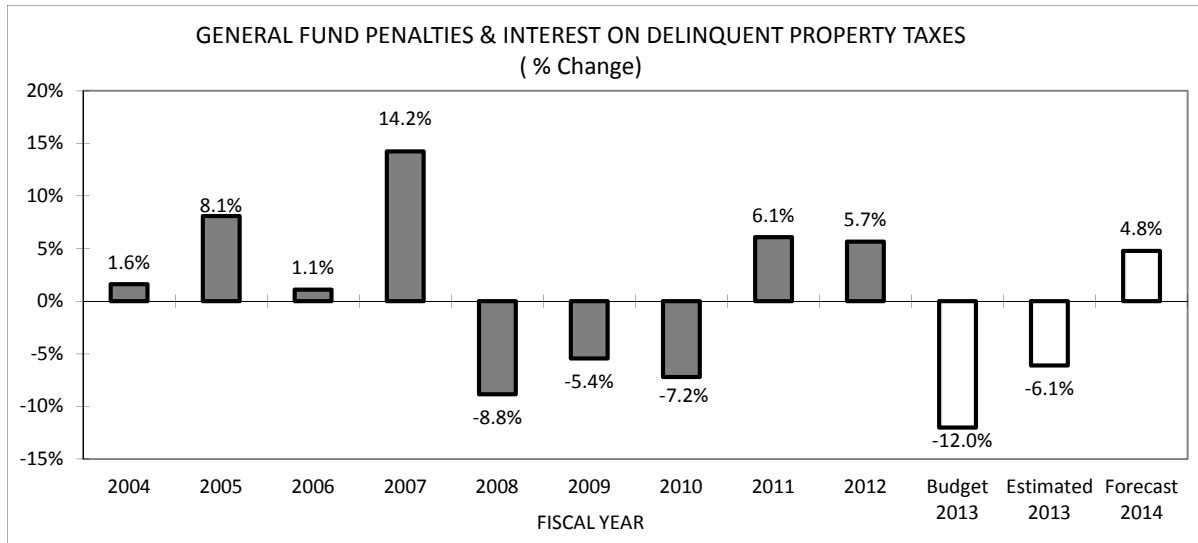
<u>Fiscal Year</u>	<u>Current</u>	<u>Delinquent</u>	<u>Total Revenue</u>	<u>Change</u>
2004	\$43,571,191	\$15,506,875	\$59,078,065	4.1%
2005	\$48,930,009	\$15,873,646	\$64,803,655	9.7%
2006	\$56,798,646	\$13,624,510	\$70,423,156	8.7%
2007	\$60,475,435	\$12,588,269	\$73,063,703	3.7%
2008	\$62,508,840	\$11,027,109	\$73,535,949	0.6%
2009	\$57,317,660	\$9,927,167	\$67,244,827	-8.6%
2010	\$59,003,602	\$8,202,242	\$67,205,845	-0.1%
2011	\$60,513,995	\$10,169,371	\$70,683,367	5.1%
2012	\$61,623,303	\$10,944,618	\$72,567,921	8.0%
Budget 2013	\$64,894,001	\$9,569,495	\$74,463,496	2.6%
Estimated 2013	\$62,955,921	\$10,381,433	\$73,337,354	1.1%
Forecast 2014	\$64,190,001	\$10,183,339	\$74,373,340	1.4%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Property Tax Penalties and Interest

The penalty for late payment of property taxes is 10% of the amount due. The interest on delinquent taxes and penalties accrue at a rate of 10% per annum. In cases of property on which delinquent taxes are not paid within three years, the City records a lien on the property effective for twenty years and the property is eligible to be sold through judicial proceedings. There is no limit at the present time on the property tax rates that may be established by the City.



CHESAPEAKE GENERAL FUND PENALTY & INTEREST REVENUES ON DELINQUENT PROPERTY TAXES

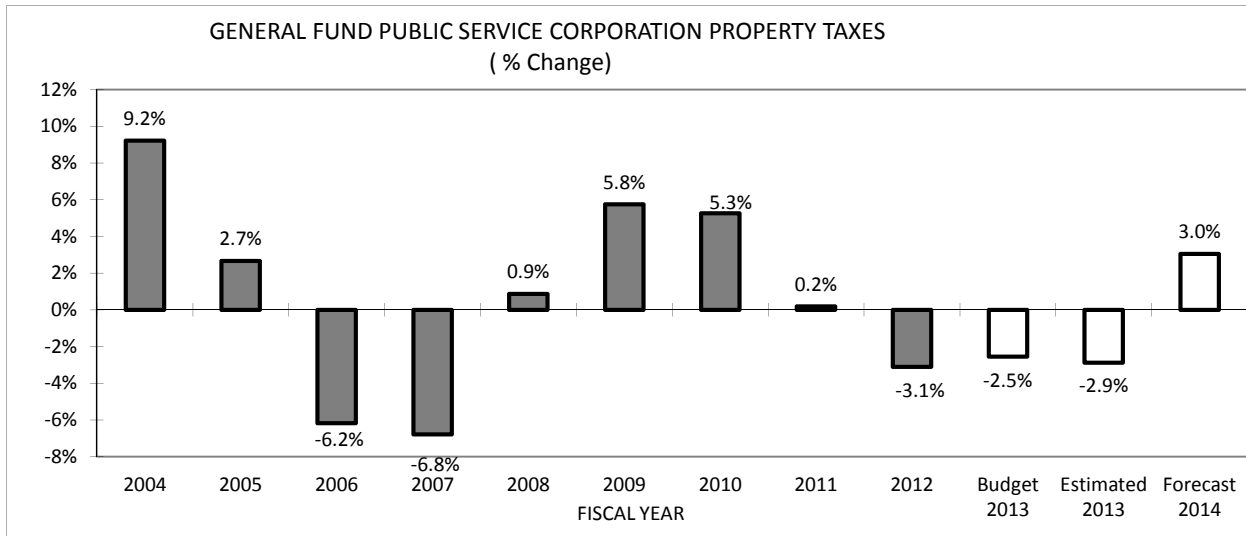
<u>Fiscal Year</u>	<u>Penalties</u>	<u>Interest</u>	<u>Total Revenue</u>	<u>Change</u>
2004	\$1,797,484	\$635,072	\$2,432,555	1.6%
2005	\$1,978,807	\$650,847	\$2,629,654	8.1%
2006	\$1,994,156	\$664,879	\$2,659,035	1.1%
2007	\$1,939,690	\$1,097,956	\$3,037,646	14.2%
2008	\$1,772,632	\$996,807	\$2,769,439	-8.8%
2009	\$1,648,869	\$970,375	\$2,619,244	-5.4%
2010	\$1,486,111	\$944,255	\$2,430,366	-7.2%
2011	\$1,626,384	\$952,192	\$2,578,576	6.1%
2012	\$1,647,365	\$1,076,990	\$2,724,355	5.7%
Budget 2013	\$1,495,410	\$901,700	\$2,397,110	-12.0%
Estimated 2013	\$1,583,567	\$974,757	\$2,558,324	-6.1%
Forecast 2014	\$1,659,486	\$1,021,489	\$2,680,975	4.8%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Public Service Corporation Tax

This item includes both Real Property Tax and Personal Property Tax levied on Public Service Corporations ("utilities") regulated by the State Corporation Commission. Assessments of property value are made by the Virginia Department of Taxation and communicated by that agency to the Commissioner of the Revenue. The amounts shown here are only the General Fund portion of the tax. The mosquito control portion is included in the revenue for Fund 800.



CHESAPEAKE PUBLIC SERVICE CORPORATION TAX REVENUES

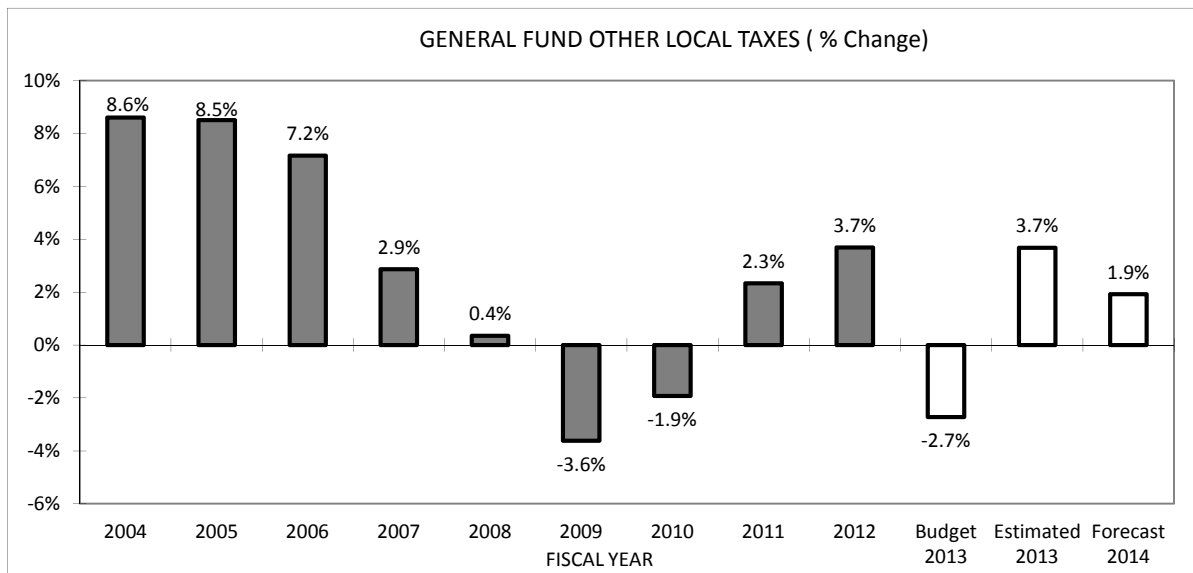
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$10,681,324	9.2%
2005	\$10,966,326	2.7%
2006	\$10,289,317	-6.2%
2007	\$9,590,941	-6.8%
2008	\$9,674,413	0.9%
2009	\$10,231,355	5.8%
2010	\$10,769,523	5.3%
2011	\$10,791,086	0.2%
2012	\$10,456,272	-3.1%
Budget 2013	\$10,190,000	-2.5%
Estimated 2013	\$10,156,272	-2.9%
Forecast 2014	\$10,466,000	3.0%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Other Local Taxes

The General Fund receives various other local taxes including sales tax (1%); utility taxes on electric and natural gas services; local share of state sales tax on communications services (5% plus \$0.75/line/month E911); business and professional license tax on gross receipts; motor vehicle license tax; recordation tax; cigarette tax (\$0.50/pack); admissions tax (10%); hotel-motel lodging tax (7% of the 8% local tax); and restaurant meals tax (5% of the 5.5% tax). The revenues from the old local E911 Line Telephone Tax and the new Communications Tax that replaced all local telephone taxes and cable franchise fees effective 01/01/07 are included in the figures shown below. For the purpose of allowing year-to-year comparisons, these amounts do not reflect the subtraction of Communications Sales Tax revenues now "committed" to E911 Operations Fund 207 that were formerly recognized in the General Fund and then transferred Fund 207. In 2011, an exemption to business license tax was granted for the period of two years to all new businesses locating in the City. This exemption, along with an adverse ruling determining the place of business for Chesapeake firms with contracts outside the city attenuate future growth in business license tax revenues.



CHESAPEAKE GENERAL FUND OTHER LOCAL TAX REVENUES

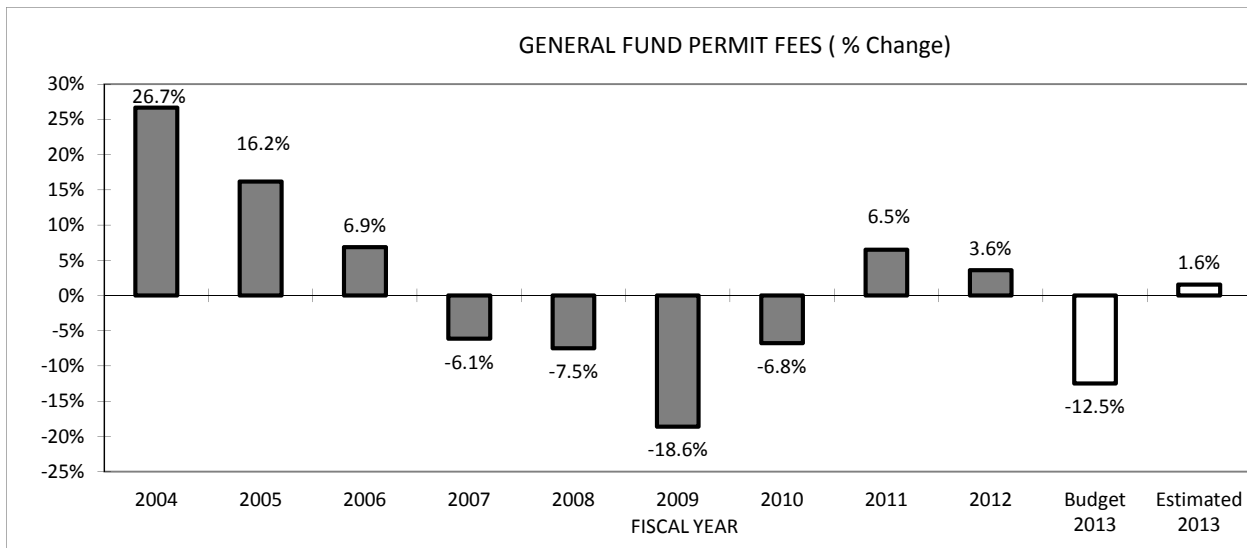
<u>Fiscal Year</u>	<u>Communication</u>		<u>Fund 207</u>		<u>Total Revenue</u>	<u>Change</u>
	<u>General Fund</u>	<u>Sales Tax Committed</u>	<u>Local E911 Tax</u>			
2004	\$97,909,522	\$0	\$3,161,354		\$101,070,876	8.6%
2005	\$106,528,044	\$0	\$3,145,151		\$109,673,195	8.5%
2006	\$114,445,214	\$0	\$3,093,026		\$117,538,240	7.2%
2007	\$119,409,978	\$0	\$1,503,278		\$120,913,256	2.9%
2008	\$121,337,675	\$0	\$0		\$121,337,675	0.4%
2009	\$116,945,170	\$0	\$0		\$116,945,170	-3.6%
2010	\$114,691,920	\$0	\$0		\$114,691,920	-1.9%
2011	\$112,416,356	\$4,950,691	\$0		\$117,367,047	2.3%
2012	\$116,657,103	\$5,043,468	\$0		\$121,700,571	3.7%
Budget 2013	\$113,444,245	\$4,947,998	\$0		\$118,392,243	-2.7%
Estimated 2013	\$121,231,241	\$4,947,998	\$0		\$126,179,239	3.7%
Forecast 2014	\$123,667,398	\$4,947,998	\$0		\$128,615,396	1.9%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Permits, Privilege Fees and Regulatory Licenses

The City requires that licenses or permits be obtained in order to perform certain activities in the City and that fees be paid for services provided by certain City departments. These fees include building permits, inspections, animal licenses, and various other permits. Fire Department permit fees are posted to Fund 204 (Fee Supported Activities). Construction permits constitute the largest portion of this revenue, so that year-to-year changes in the amount collected reflect the level of construction activity in the city.



CHESAPEAKE PERMIT FEE REVENUES

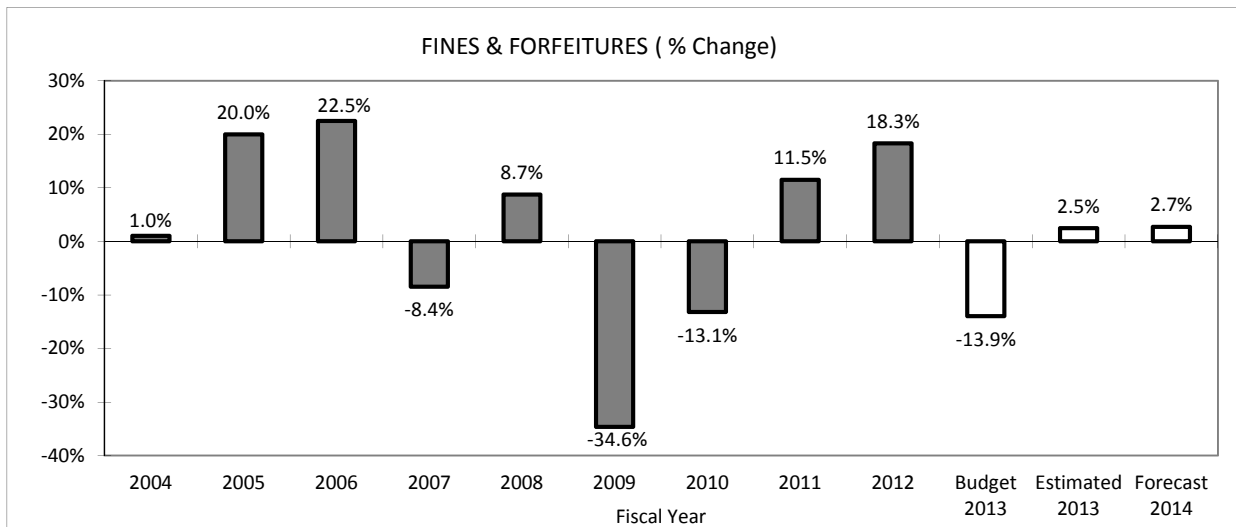
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$2,495,792	26.7%
2005	\$2,900,145	16.2%
2006	\$3,100,077	6.9%
2007	\$2,910,153	-6.1%
2008	\$2,692,059	-7.5%
2009	\$2,191,355	-18.6%
2010	\$2,043,378	-6.8%
2011	\$2,176,552	6.5%
2012	\$2,254,819	3.6%
Budget 2013	\$1,973,388	-12.5%
Estimated 2013	\$2,290,194	1.6%
Forecast 2014	\$2,400,631	4.8%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Fines, Forfeitures

The City receives monies for fines and forfeitures from cases prosecuted under local ordinances, including criminal and civil actions as well as traffic fines, parking tickets and bridge weight limit violations. Court case volumes, duration, types of cases, adjudication practices and number of cases successfully prosecuted under local ordinances are among the complex factors underlying court fines. Parking fine revenues vary with the availability of parking spaces relative to demand as well as with enforcement activity. Overload fines vary with the volume of commercial traffic and condition of bridges. In addition, the courts have been less inclined to uphold citations written for overload violations in recent years.



CHESAPEAKE GENERAL FUND FINE AND FORFEITURE REVENUES

<u>Fiscal Year</u>	<u>Court Fines</u>	<u>Parking Fines</u>	<u>Overload Fines</u>	<u>Total Revenue</u>	<u>Change</u>
2004	\$2,258,592	\$102,231	\$80,149	\$2,440,971	1.0%
2005	\$2,715,920	\$115,354	\$98,227	\$2,929,501	20.0%
2006	\$2,742,323	\$98,519	\$746,860	\$3,587,702	22.5%
2007	\$2,638,017	\$128,344	\$518,297	\$3,284,658	-8.4%
2008	\$2,743,026	\$73,044	\$755,068	\$3,571,138	8.7%
2009	\$1,935,643	\$63,097	\$336,519	\$2,335,259	-34.6%
2010	\$1,832,019	\$74,243	\$121,916	\$2,028,178	-13.1%
2011	\$2,123,037	\$76,048	\$62,388	\$2,261,473	11.5%
2012	\$2,170,486	\$82,876	\$421,704	\$2,675,066	18.3%
Budget 2013	\$2,161,000	\$71,130	\$70,000	\$2,302,130	-13.9%
Estimated 2013	\$2,237,940	\$82,876	\$420,000	\$2,740,816	2.5%
Forecast 2014	\$2,307,491	\$82,876	\$425,000	\$2,815,366	2.7%

CHESAPEAKE CIRCUIT & GENERAL DISTRICT COURTS CASELOAD TRENDS

Source: Virginia Supreme Court, *State of The Judiciary*, Annual

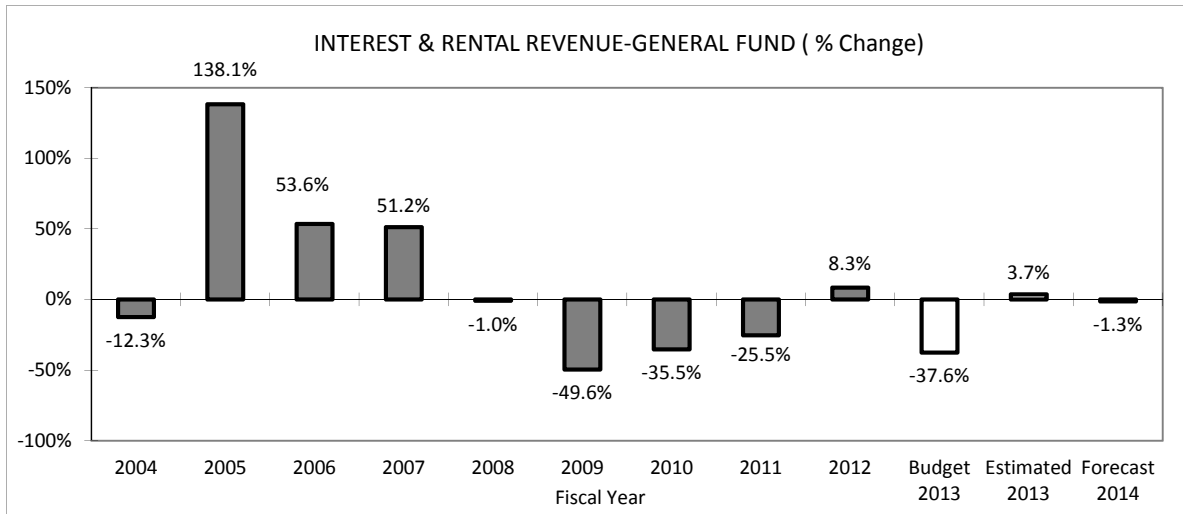
<u>Fiscal Year</u>	<u>Circuit (1st)</u>	<u>General District</u>	<u>Total</u>	<u>Change</u>
2004	8,694	111,870	120,564	8.1%
2005	9,056	113,169	122,225	1.4%
2006	9,841	105,717	115,558	-5.5%
2007	10,258	112,976	123,234	6.6%
2008	10,025	97,367	107,392	-12.9%
2009	9,188	89,367	98,555	-8.2%
2010	8,786	88,337	97,123	-1.5%
2011	8,125	97,642	105,767	8.9%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Use of Money and Property

The City receives revenue from interest on investments and rental of property. Interest earnings vary with both the rates available in the money markets and the size of cash balances invested. The revenue history for revenues from rent of City facilities has been adjusted to reflect the reassignment of selected Parks and Recreation facilities rental revenues, previously in Fund 213, and of Solid Waste operations revenues, previously in Fund 215, back to Fund 100. Continued decline is expected in interest earnings due to declining short term interest rates and cash portfolio balances.



CHESAPEAKE GENERAL FUND INTEREST & RENTAL REVENUES

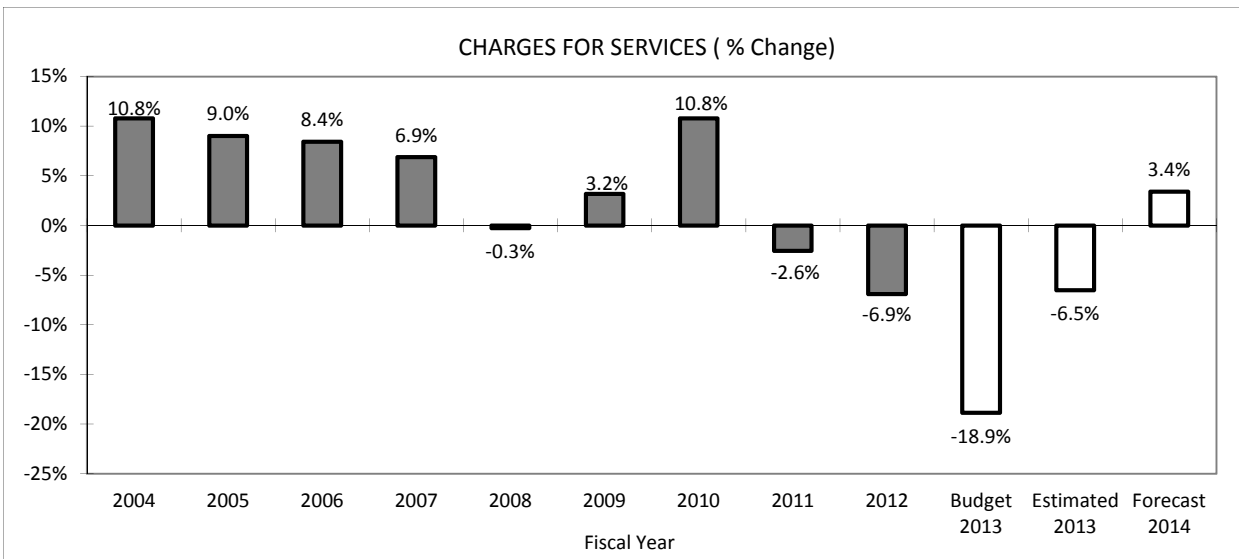
Fiscal Year	Interest	Rent	Total Revenue	Change
2004	\$584,963	\$239,956	\$824,920	-12.3%
2005	\$1,671,792	\$292,670	\$1,964,462	138.1%
2006	\$2,738,012	\$278,844	\$3,016,855	53.6%
2007	\$4,261,024	\$299,251	\$4,560,275	51.2%
2008	\$4,190,552	\$326,053	\$4,516,605	-1.0%
2009	\$1,961,507	\$314,920	\$2,276,427	-49.6%
2010	\$1,129,621	\$339,713	\$1,469,333	-35.5%
2011	\$700,834	\$394,338	\$1,095,172	-25.5%
2012	\$708,955	\$477,244	\$1,186,199	8.3%
Budget 2013	\$269,000	\$471,775	\$740,775	-37.6%
Estimated 2013	\$743,199	\$487,407	\$1,230,606	3.7%
Forecast 2014	\$716,783	\$497,639	\$1,214,422	-1.3%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Charges for Services

The City receives a variety of fees for services and commodities provided to citizens and businesses. These services included emergency medical services, engineering services, sale of jail services, and other services. The revenues are intended to collectively help pay for the cost of providing these services. Recreation revenues now reported in Fund 213 are not included. However, Parks & Recreation revenues associated with the Portlock Gallery have been included. Waste management revenues are included in the FY10 and FY11 figures, and the decline in FY12 reflects the rescinding of the Waste Management Charge in mid-FY11. The FY14 increase reflects stronger than expected revenues in FY12, with continuing trend in the first quarter of FY13.



CHESAPEAKE CHARGES FOR SERVICES REVENUES

<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$8,164,885	10.8%
2005	\$8,901,284	9.0%
2006	\$9,652,218	8.4%
2007	\$10,316,521	6.9%
2008	\$10,287,989	-0.3%
2009	\$10,614,149	3.2%
2010	\$11,757,421	10.8%
2011	\$11,454,825	-2.6%
2012	\$10,664,104	-6.9%
Budget 2013	\$8,651,565	-18.9%
Estimated 2013	\$9,967,214	-6.5%
Forecast 2014	\$10,306,971	3.4%

REVENUE BUDGET

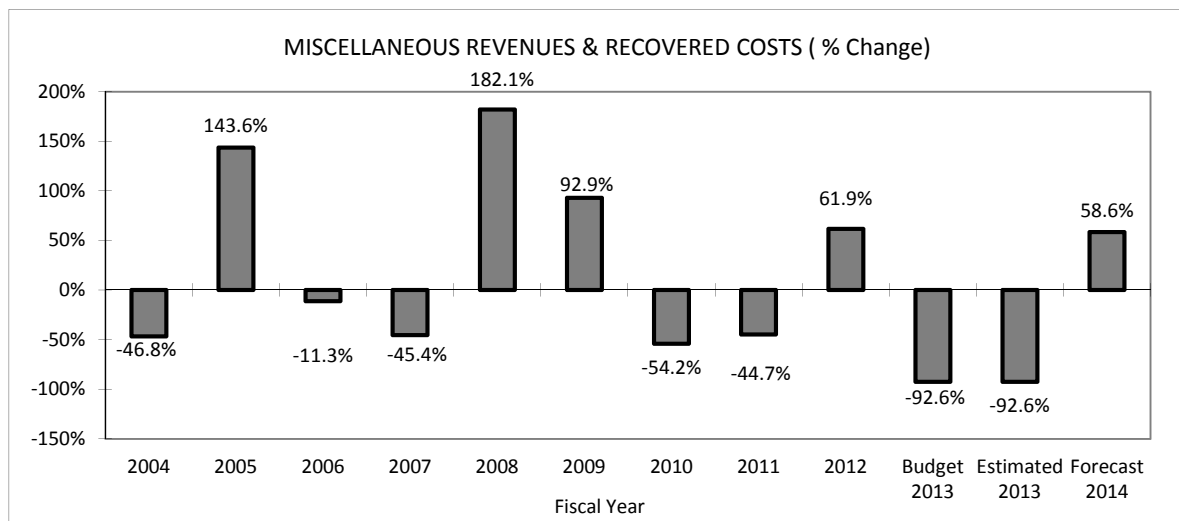
DESCRIPTION OF FUNDS

Miscellaneous Revenues

Miscellaneous revenues are usually non-recurring or intermittent, includes sales of property and equipment, primary fees, capitalized operating expenses, insurance claim recoveries, minor service charges by departments, and a variety of miscellaneous accounts. Most of these sources are occasional and not budgeted in advance, but are recognized if and when received. Recent large transactions include sale of property in 2008, legal settlement in 2009, and Human Resource Information System cost capitalization in 2010. Development proffers, formerly included, are now handled as project resources in Special Revenue Fund 216, reported in the Combined Annual Financial Report (CAFR). The history shown below has been adjusted to reflect the current revenue structure.

Recovered Costs

Recovered costs include collection of non-tax receivables that originated in previous years and recovery of various costs such as travel expense prepayments and jury duty payments to employees. This revenue is not generally budgeted, but is only recognized if and when received. Like miscellaneous revenues, recovered costs fluctuate greatly from year to year. The history shown below has been adjusted to reflect the current revenue structure.



CHESAPEAKE GENERAL FUND MISCELLANEOUS REVENUES AND RECOVERED COSTS

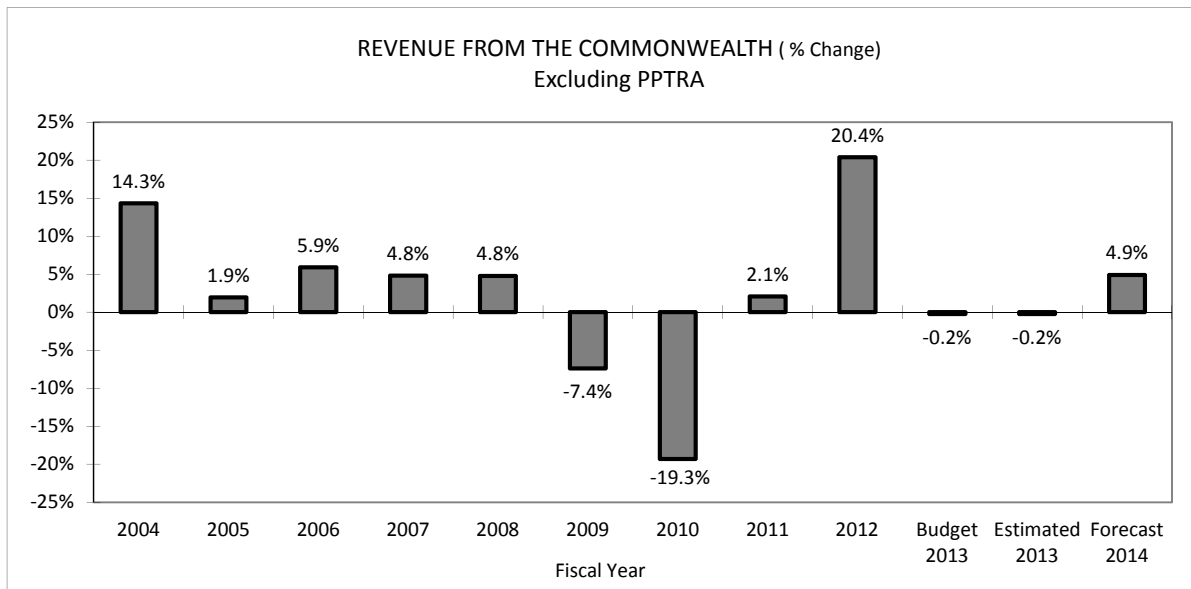
<u>Fiscal Year</u>	<u>Miscellaneous</u>	<u>Recovered Costs</u>	<u>Total Revenue</u>	<u>Change</u>
2004	\$334,259	\$14,728	\$348,987	-46.8%
2005	\$292,112	\$558,024	\$850,136	143.6%
2006	\$231,037	\$523,320	\$754,357	-11.3%
2007	\$153,378	\$258,275	\$411,653	-45.4%
2008	\$868,202	\$292,997	\$1,161,199	182.1%
2009	\$1,550,749	\$689,078	\$2,239,827	92.9%
2010	\$586,314	\$438,702	\$1,025,017	-54.2%
2011	\$318,351	\$248,246	\$566,597	-44.7%
2012	\$515,812	\$401,258	\$917,070	61.9%
Budget 2013	\$67,460	\$200	\$67,660	-92.6%
Estimated 2013	\$67,460	\$200	\$67,660	-92.6%
Forecast 2014	\$107,020	\$302	\$107,322	58.6%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Revenue From The Commonwealth

Intergovernmental transfers from the state are an important resource component for providing city services. A portion of this revenue source is not restricted as to use (non-categorical), while the rest is a partial reimbursement of local expenditures for road maintenance, constitutional officers, and similar activities. For the purpose of the analysis presented in these graphs, PPTRA is included with personal property taxes rather than non-categorical aid. HB599 is shown here under Categorical Aid. In FY09, \$2,413,725 and \$645,856 in Federal assistance was substituted for State aid Sheriff Operations and Prisoner Upkeep (LIDS), respectively. In FY10, \$7,185,763 in Federal assistance was substituted for State aid for Sheriff Operations. These revenues are shown under Federal aid. Changes in account classifications have occurred over the years, the amounts shown here reflect the current classifications. From FY09 through FY13, the state reduced its support by, in addition to specific funding cuts, requiring localities to return a portion of the state funding received. This is treated as a contra-revenue under noncategorical aid.



CHESAPEAKE GENERAL FUND STATE INTERGOVERNMENTAL REVENUES

(PPTRA shown under Personal Property Taxes; HB599 shown under State Categorical Aid)

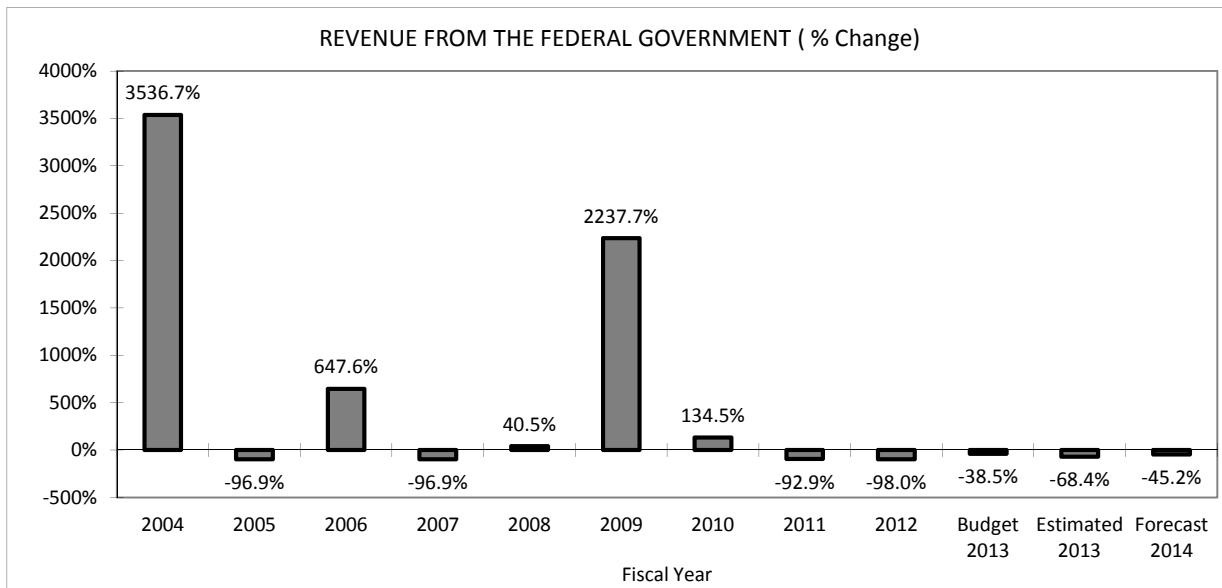
<u>Fiscal Year</u>	<u>Non-Categorical</u>	<u>Shared Costs</u>	<u>Categorical</u>	<u>Total Revenue</u>	<u>Change</u>
2004	\$2,629,423	\$9,355,544	\$33,990,504	\$45,975,471	14.3%
2005	\$2,319,302	\$10,567,216	\$33,979,603	\$46,866,121	1.9%
2006	\$2,242,211	\$11,346,370	\$36,040,750	\$49,629,332	5.9%
2007	\$2,389,417	\$12,562,236	\$37,064,026	\$52,015,678	4.8%
2008	\$2,127,305	\$12,645,888	\$39,737,059	\$54,510,252	4.8%
2009	\$520,859	\$10,447,527	\$39,508,001	\$50,476,387	-7.4%
2010	\$576,179	\$4,861,325	\$38,547,398	\$43,984,902	-19.3%
2011	\$381,077	\$12,094,753	\$39,050,938	\$51,526,769	2.1%
2012	\$633,158	\$12,118,134	\$40,208,248	\$52,959,540	20.4%
Budget 2013	\$551,993	\$12,315,347	\$39,978,138	\$52,845,478	-0.2%
Estimated 2013	\$551,993	\$12,315,347	\$39,978,138	\$52,845,478	-0.2%
Forecast 2014	\$2,094,888	\$12,557,859	\$40,780,676	\$55,433,423	4.9%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Revenues from the Federal Government

The City receives some revenue from the federal government. In prior years, this category included grant funds from the federal government, but most of those funds are now accounted for in the Grants Fund. Federal Emergency Management Agency and Federal Drug Enforcement revenues are recognized on an "if and when received" basis. Other accounts in this category that are projected in the General Fund Budget include Refuge Revenue Sharing (16 U.S.C. § 715s), Payments In Lieu of Taxes, and Social Security Reporting Incentive for Sheriffs. Large spikes in this revenue reflect recovered expenses for emergencies and disasters such as storms, as in FY04 and FY06, and economic stimulus funding such as the American Recovery and Reinvestment Act of 2009 (Pub.L. 111-5) in FY-09 and FY-10 which partially supplanted reduced state funding for Sheriff and jail in the General Fund.



CHESAPEAKE GENERAL FUND FEDERAL INTERGOVERNMENTAL REVENUES

<u>Fiscal Year</u>	<u>Non-Categorical</u>	<u>Categorical</u>	<u>Total Revenue</u>	<u>Change</u>
2004	\$61,553	\$13,114,934	\$13,176,487	3536.7%
2005	\$51,819	\$360,684	\$412,503	-96.9%
2006	\$61,630	\$3,022,150	\$3,083,780	647.6%
2007	\$55,778	\$40,500	\$96,278	-96.9%
2008	\$55,470	\$79,841	\$135,311	40.5%
2009	\$43,644	\$3,119,575	\$3,163,219	2237.7%
2010	\$42,600	\$7,376,452	\$7,419,052	134.5%
2011	\$34,030	\$190,023	\$224,053	-92.9%
2012	\$37,212	\$113,477	\$150,689	-98.0%
Budget 2013	\$34,030	\$58,633	\$92,663	-38.5%
Estimated 2013	\$34,030	\$13,600	\$47,630	-68.4%
Forecast 2014	\$37,224	\$13,600	\$50,824	-45.2%

REVENUE BUDGET

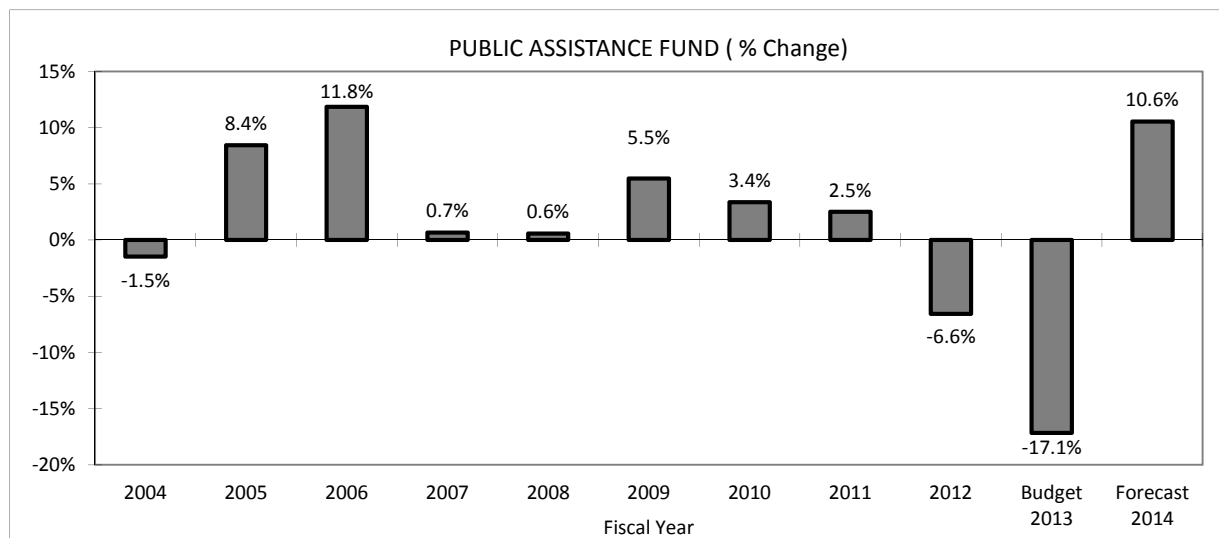
DESCRIPTION OF FUNDS

SPECIAL REVENUE FUNDS DESCRIPTIONS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special projects) that are restricted by law or administrative action to being expended for specified purposes.

Virginia Public Assistance Fund - 201

The Virginia Public Assistance Fund was established to account for the rendering of economic aid to qualifying citizens. The revenues included in this fund are primarily Revenues from the Commonwealth and Revenues from the Federal Government as Public Assistance Grants. The fund also includes revenues from Court Ordered Fees, Recoveries of Public Assistance Grants, and Recoveries and Rebates. The decline in FY 2013 is caused by a change in the management of day care payments by the State.



CHESAPEAKE VIRGINIA PUBLIC ASSISTANCE FUND - 201 REVENUES

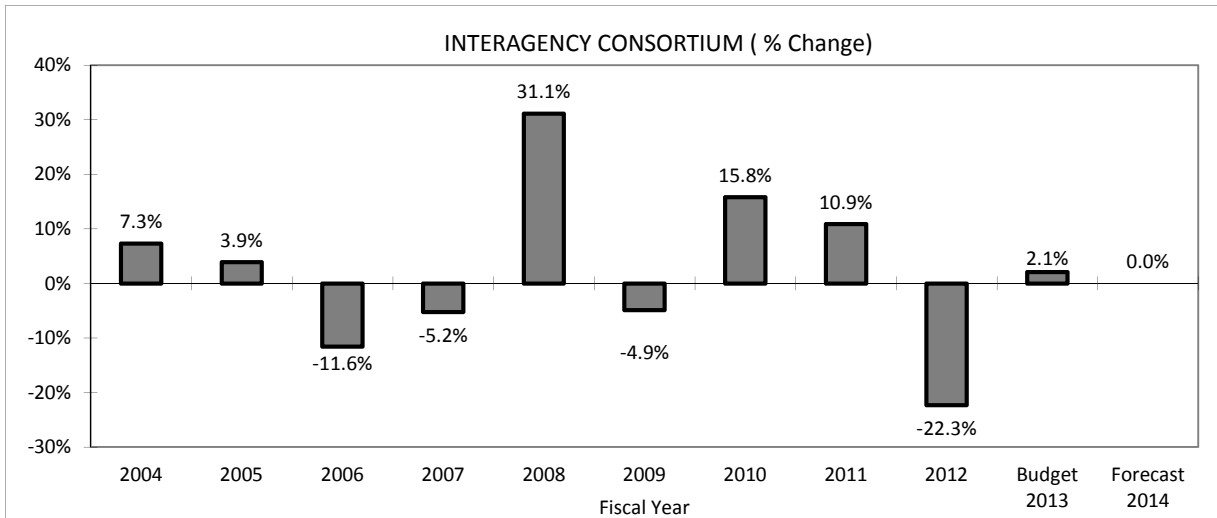
<u>Fiscal Year</u>	<u>Assistance</u>	<u>Change</u>
2004	\$11,489,272	-1.5%
2005	\$12,459,743	8.4%
2006	\$13,935,194	11.8%
2007	\$14,029,166	0.7%
2008	\$14,111,327	0.6%
2009	\$14,883,958	5.5%
2010	\$15,383,992	3.4%
2011	\$15,769,472	2.5%
2012	\$14,735,050	-6.6%
Budget 2013	\$12,208,444	-17.1%
Forecast 2014	\$13,497,177	10.6%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Interagency Consortium Fund - 203

The Interagency Consortium Fund was established to account for revenues and expenditures of the delivery system for severely emotionally and/or behaviorally disturbed children under the Virginia Comprehensive Services Act. The revenue for this fund is primarily from the Interagency Consortium Pool, which comes from the State. The other sources of revenue in this fund include Other State Grants, Trust Revenue, and Sale of Current Services.



CHESAPEAKE INTERAGENCY CONSORTIUM FUND - 203 REVENUES

<u>Fiscal Year</u>	<u>Consortium</u>	<u>Change</u>
2004	\$1,910,891	7.3%
2005	\$1,985,288	3.9%
2006	\$1,754,938	-11.6%
2007	\$1,663,289	-5.2%
2008	\$2,181,119	31.1%
2009	\$2,074,114	-4.9%
2010	\$2,402,284	15.8%
2011	\$2,664,164	10.9%
2012	\$2,068,911	-22.3%
Budget 2013	\$2,111,834	2.1%
Forecast 2014	\$2,111,834	0.0%

REVENUE BUDGET

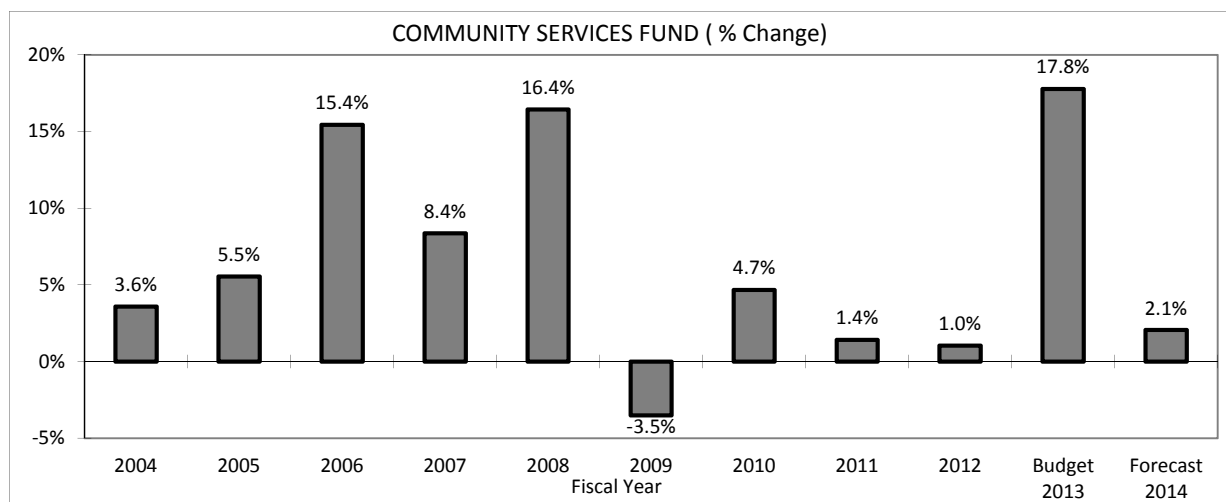
DESCRIPTION OF FUNDS

Fee Supported Activities Fund - 204

The Fee Supported Activities Fund was established during the FY99 budgeting process in order to account for revenues and expenditures related to various fee supported activities. The programs and line items contained in this fund have varied over the years since its establishment. Current programs including Development & Permits charges for demolition of buildings, grass cutting on neglected properties, Police Department red light enforcement program, Fire Department permits, fines and cost recovery in connection with the Chesapeake Hazardous Environmental Action Team, and Fire Department inspections and permits.

Community Services Fund - 205

The Community Services Fund accounts for revenues and expenditures from the City and the Virginia Department of Behavioral Health and Developmental Services to operate the Mental Health, Intellectual Disability and Substance Abuse Programs. Revenues in this fund come primarily from State and federal sources. The revenues also include Charges for Services provided by Community Services. New services paid for by third parties account for the increase in revenues beginning in FY 2013.



CHESAPEAKE COMMUNITY SERVICES FUND - 205 REVENUES

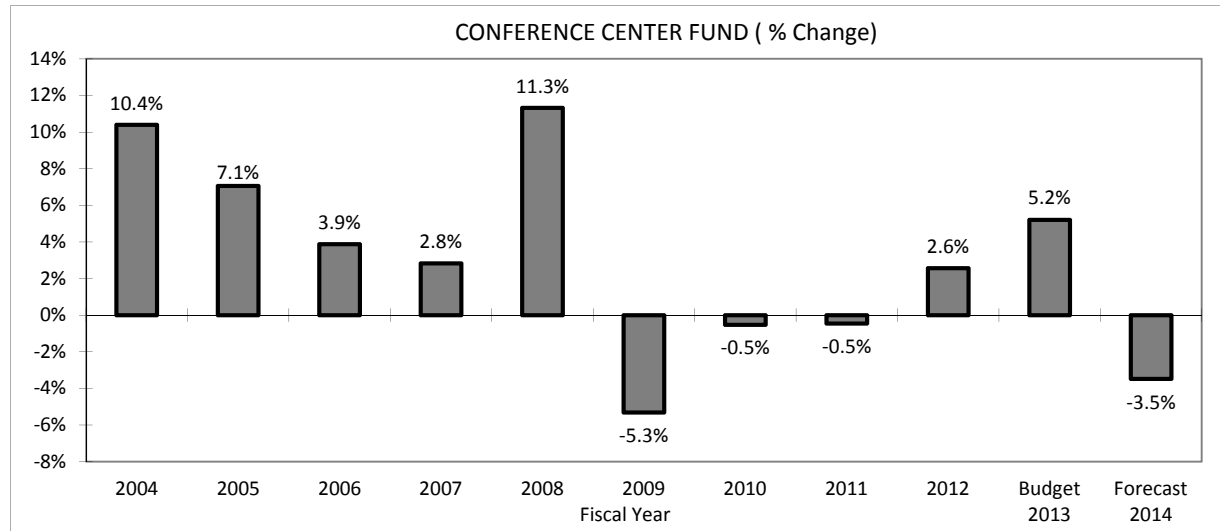
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$7,819,026	3.6%
2005	\$8,251,986	5.5%
2006	\$9,526,751	15.4%
2007	\$10,323,080	8.4%
2008	\$12,019,294	16.4%
2009	\$11,598,200	-3.5%
2010	\$12,140,648	4.7%
2011	\$12,313,023	1.4%
2012	\$12,440,391	1.0%
Budget 2013	\$14,651,201	17.8%
Forecast 2014	\$14,952,392	2.1%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Chesapeake Conference Center Fund - 206

The Chesapeake Conference Center Fund was established to account for revenues and expenditures related to the operation of the Chesapeake Conference Center which opened during FY 1998 and tourism promotion activities benefiting the local hospitality industry. The revenues come from Restaurant Food Tax (0.5% of 5.5% local tax) and Hotel Room Taxes (1% of 8% local tax, plus \$1/room-night) along with Charges for Services. Charges for Services include Food Revenue, Beverage Revenue, Sale of Services, Rent of Conference Center, Admission Fees, and Service Fees.



CHESAPEAKE CHESAPEAKE CONFERENCE CENTER FUND - 206 REVENUES

<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$4,375,735	10.4%
2005	\$4,684,910	7.1%
2006	\$4,866,199	3.9%
2007	\$5,003,905	2.8%
2008	\$5,570,351	11.3%
2009	\$5,273,884	-5.3%
2010	\$5,246,346	-0.5%
2011	\$5,222,109	-0.5%
2012	\$5,355,948	2.6%
Budget 2013	\$5,634,682	5.2%
Forecast 2014	\$5,438,565	-3.5%

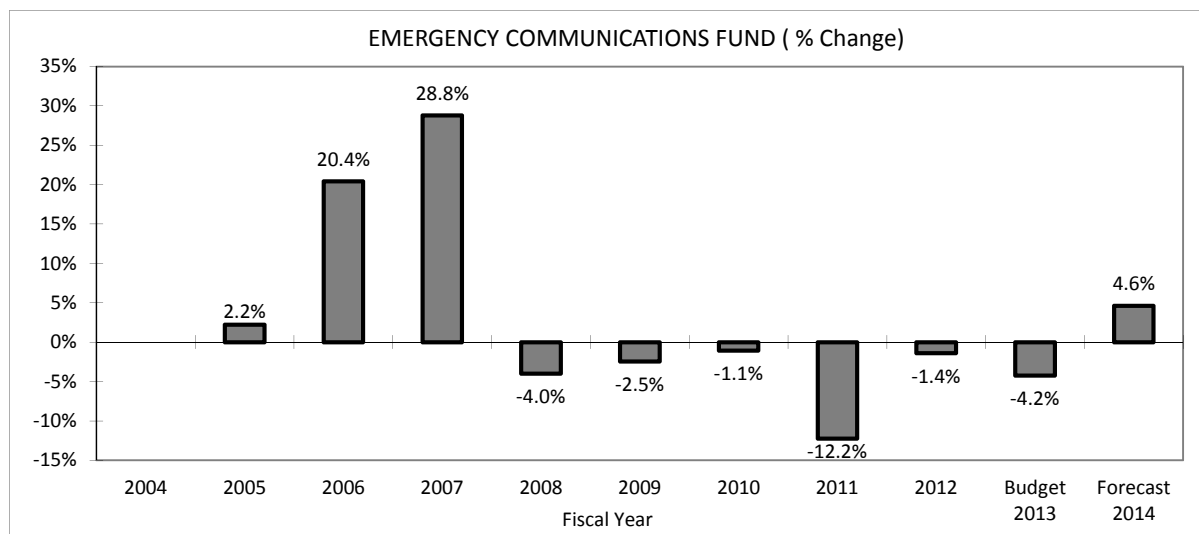
REVENUE BUDGET

DESCRIPTION OF FUNDS

Emergency Communications Fund - 207

The Emergency Communications Fund was established during the FY04 budgeting process in order to account for revenues and expenditures related to operation of the Emergency Operations Center (EOC). These activities were previously budgeted under the General Fund. The principal revenues in this fund were Wireless E911 Funding from the State and the local E-911 telephone tax, supplemented by an annual budget transfer from the General Fund.

The Telecommunications Tax Reform Act HB568 eliminated the local E-911 telephone tax by consolidating and standardizing communications taxes and rates, centralizing collections in the Virginia Department of Taxation, and sharing proceeds among localities after deducting administrative and program expenses beginning January 2007. Until FY2011, the new tax was posted entirely to the General Fund and the local E-911 tax revenue was supplanted by an increased transfer from the General Fund. Starting in FY2011, new accounting rules required the transfer from the General Fund to be reported as "committed" revenues. For the purpose of making possible year-to-year comparisons, the transfers from the General Fund are shown along with the revenues in the graph and table given below.



CHESAPEAKE EMERGENCY COMMUNICATIONS FUND - 207 REVENUES

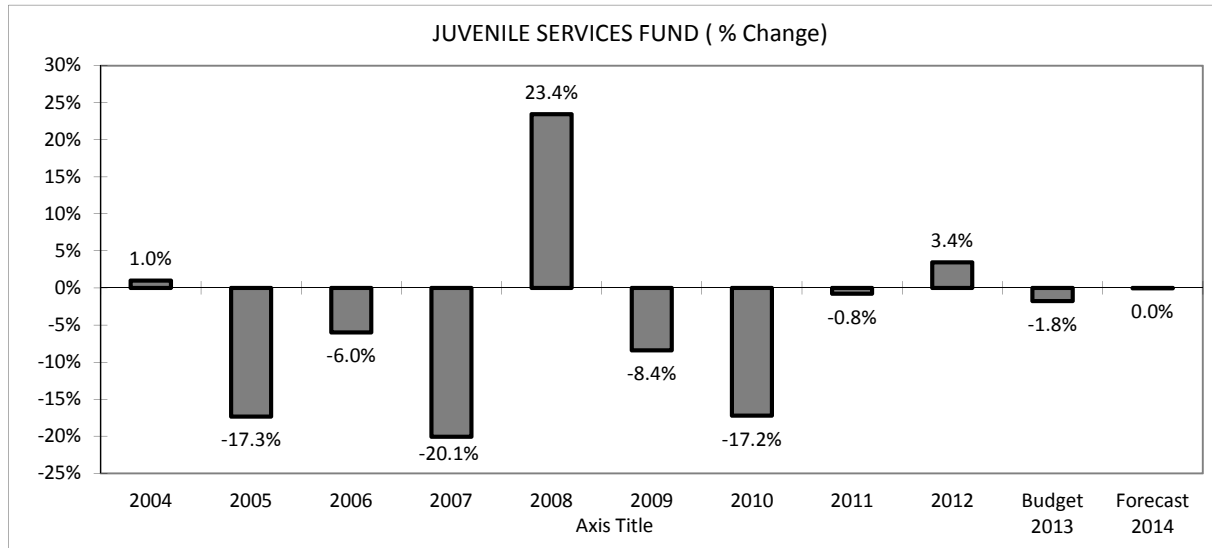
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Transfers In</u>	<u>Total Resource</u>	<u>Change</u>
2004	\$3,598,644	\$1,287,739	\$4,886,383	
2005	\$3,354,786	\$1,640,011	\$4,994,797	2.2%
2006	\$3,642,331	\$2,372,179	\$6,014,510	20.4%
2007	\$3,839,948	\$3,905,984	\$7,745,932	28.8%
2008	\$1,373,370	\$6,063,293	\$7,436,663	-4.0%
2009	\$1,473,328	\$5,780,150	\$7,253,478	-2.5%
2010	\$1,434,820	\$5,741,247	\$7,176,067	-1.1%
2011	\$6,298,208	\$0	\$6,298,208	-12.2%
2012	\$6,211,153	\$0	\$6,211,153	-1.4%
Budget 2013	\$5,947,998	\$0	\$5,947,998	-4.2%
Forecast 2014	\$6,223,492	\$0	\$6,223,492	4.6%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Chesapeake Juvenile Services Fund - 208

This fund was established during the FY04 budgeting process in order to account for revenues and expenditures related exclusively to operation of the Juvenile Detention Facility. These activities were previously budgeted under the General Fund. The revenues are primarily payments by other localities for juveniles served by the center and state categorical aid. In October 2004, Virginia Beach opened a 90-bed facility of its own, reducing the amount of revenue previously earned by housing that City's detained juveniles at the Chesapeake home.



CHESAPEAKE CHESAPEAKE JUVENILE SERVICES FUND - 208 REVENUES

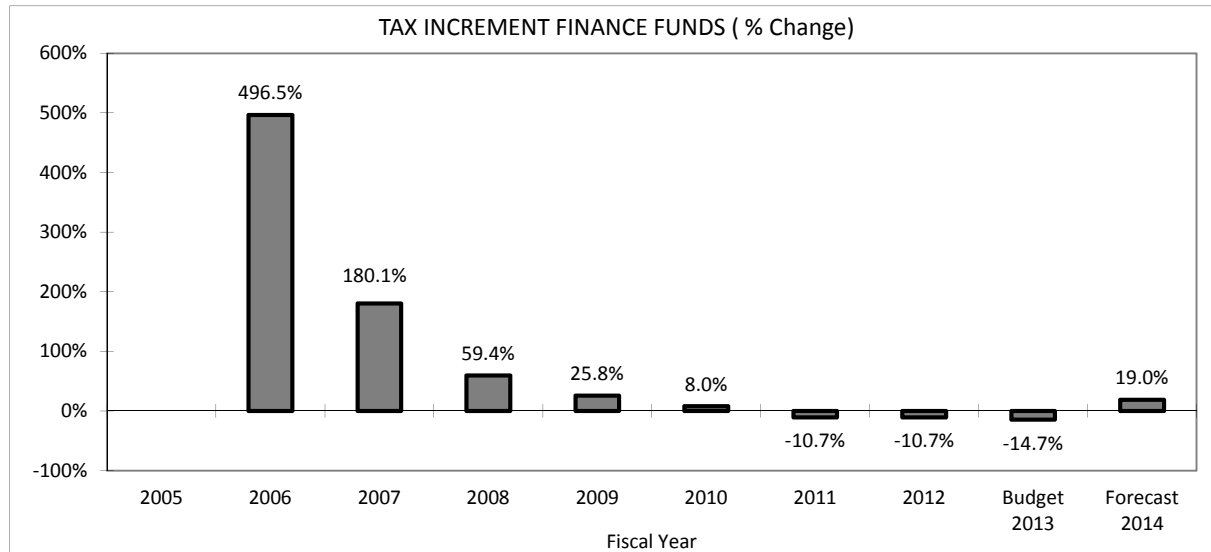
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$6,152,144	1.0%
2005	\$5,085,224	-17.3%
2006	\$4,779,540	-6.0%
2007	\$3,821,186	-20.1%
2008	\$4,717,240	23.4%
2009	\$4,321,424	-8.4%
2010	\$3,576,618	-17.2%
2011	\$3,548,435	-0.8%
2012	\$3,670,630	3.4%
Budget 2013	\$3,605,319	-1.8%
Forecast 2014	\$3,605,317	0.0%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Tax Increment Funds - 209 and 212

Fund 209 was established in FY05 to account for revenues and expenditures related to economic development activities and infrastructure improvements in the Greenbrier area. A second TIF zone located in the South Norfolk area was added to Fund 209 in FY06, and was moved to Fund 212 in FY09. Revenue is specified as real estate tax revenue from new construction and increases in assessment values within the TIF zones. Tax revenue derived from the existing assessment base at the time a TIF was established accrues to the General Fund.



CHESAPEAKE TAX INCREMENT FUNDS - 209 AND 212 REVENUES

<u>Fiscal Year</u>	<u>Greenbrier</u>	<u>South Norfolk</u>	<u>Total Revenue</u>	<u>Change</u>
2005	\$286,127	\$0	\$286,127	
2006	\$1,558,821	\$147,885	\$1,706,706	496.5%
2007	\$2,595,019	\$2,185,712	\$4,780,731	180.1%
2008	\$3,793,169	\$3,827,645	\$7,620,814	59.4%
2009	\$5,004,688	\$4,581,474	\$9,586,162	25.8%
2010	\$5,551,198	\$4,798,023	\$10,349,221	8.0%
2011	\$4,966,913	\$4,272,972	\$9,239,885	-10.7%
2012	\$4,232,921	\$4,014,652	\$8,247,573	-10.7%
Budget 2013	\$3,680,102	\$3,354,120	\$7,034,222	-14.7%
Forecast 2014	\$4,837,759	\$3,534,645	\$8,372,404	19.0%

REVENUE BUDGET

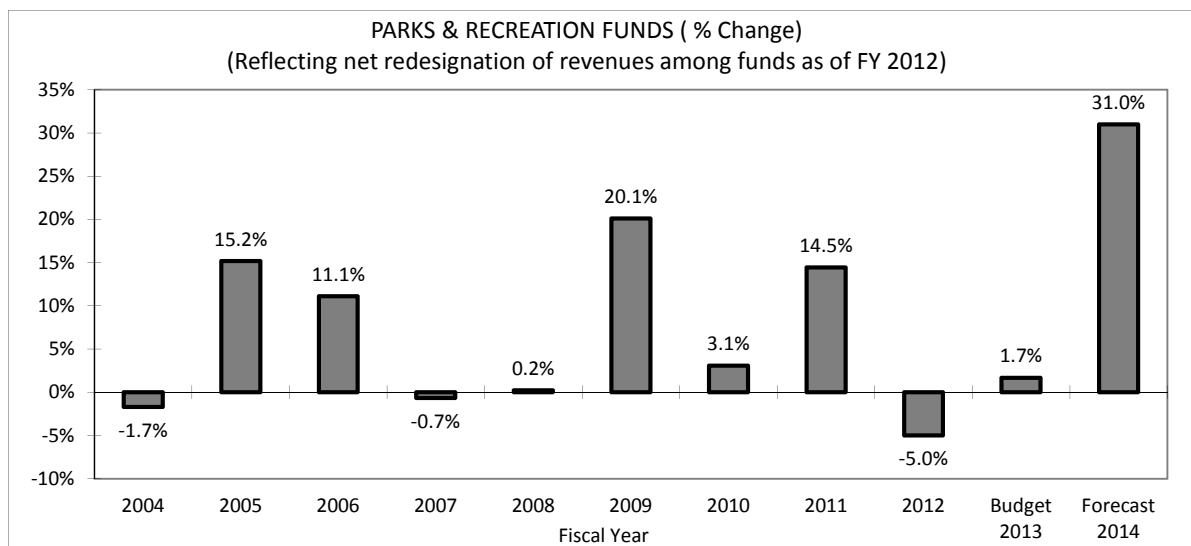
DESCRIPTION OF FUNDS

Open Space Agricultural Preservation Fund - 210

The Open Space Agricultural Preservation Fund was established to account for transactions related to the acquisition of conservation easements and other efforts to preserve open space. A specific amount (\$271,284 in FY11 and FY 12) of General Fund real estate taxes are committed to this fund as revenues in accordance with Governmental Accounting Standards Board (GASB) Statement 54, as are any proceeds from street closure land sales.

Parks & Recreation Fund - 213

Established during the FY09 budgeting process in order to consolidate under one fund revenues and expenditures formerly reported in Funds 100 (General), 540 (Northwest River Park) and 541 (Recreation Enterprise). Effective 2013, some revenues and expenditures are moved back into the General Fund to accommodate changes in accounting rules used to prepare the City's annual financial report (CAFR). In order to make the revenues reported in this document comparable from year to year, the entire history of these revenues is shifted back to the respective General Fund categories.



CHESAPEAKE PARKS & RECREATION FUND - 213 REVENUES

<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$700,037	-1.7%
2005	\$806,418	15.2%
2006	\$896,039	11.1%
2007	\$890,154	-0.7%
2008	\$892,315	0.2%
2009	\$1,071,609	20.1%
2010	\$1,104,679	3.1%
2011	\$1,264,366	14.5%
2012	\$1,201,285	-5.0%
Budget 2013	\$1,221,540	1.7%
Forecast 2014	\$1,600,339	31.0%

REVENUE BUDGET

DESCRIPTION OF FUNDS

City-Wide Debt Fund - 401

Established to service debt payments. The revenue earned in this fund would be related to interest earnings on unspent bond issues and other cash balances

ENTERPRISE FUNDS DESCRIPTIONS

The enterprise funds of the City of Chesapeake were designed to account for the revenues and expenditures of self-supporting functions that are operated by the City of Chesapeake.

Public Utilities Funds - 501 through 510

These funds account for revenues and expenditures related to the various aspect of operating the Public Utilities Department. Most of the revenues for Public Utilities are accumulated in the Utility Revenue Fund with various other funds only earning interest on their unspent cash balances. The funds include:

Utility Operating Fund - 501 where the operating expenditures of the Utilities Department are paid. Money is transferred into this fund monthly to meet operating expenses.

Utility Water/Sewer Construction Fund - 502 where interest is earned and expenditures are incurred for construction projects such as the upgrade to the Water Treatment Plant.

Utility Renewal and Replacement Fund- 504 where major renewal and replacement projects are funded and interest is earned on available funds.

Utility Debt Service Reserve Fund - 506 where funds are held in reserve to pay debt service, maintain bond covenants, and earn interest.

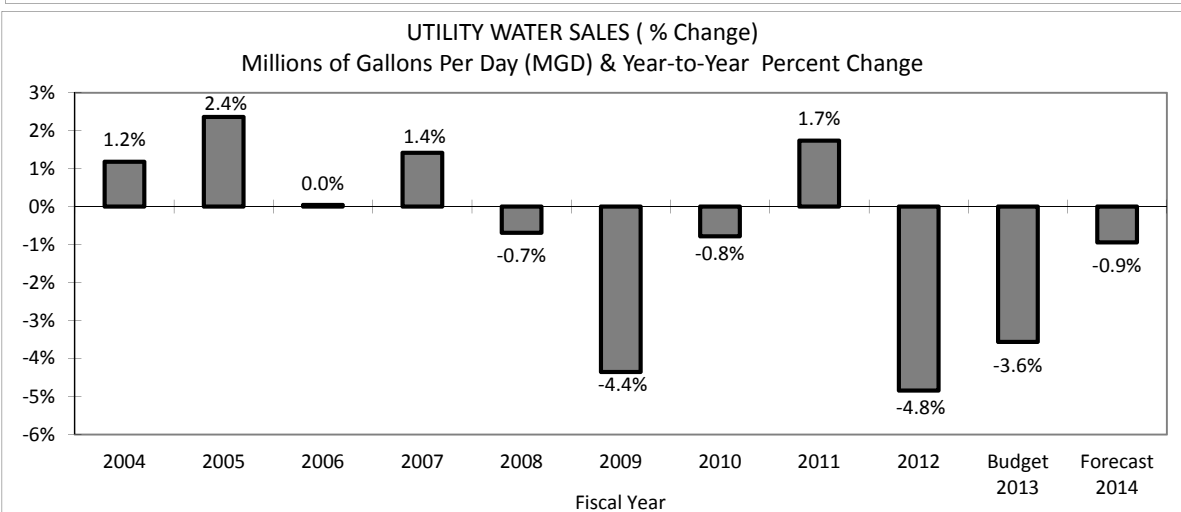
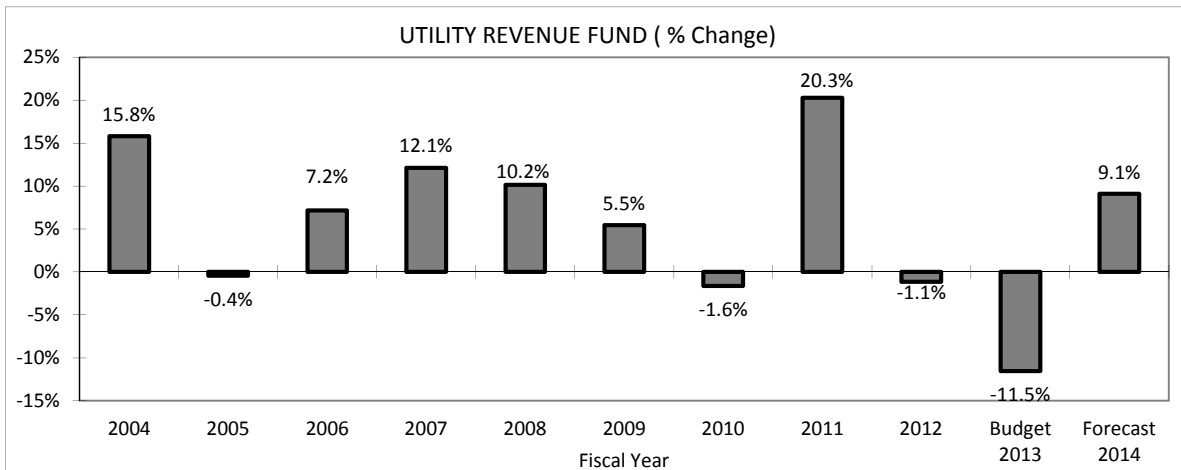
Utility Capital Improvement Fund - 507 where assets and liabilities are accumulated, debt service is paid on G.O. Bonds, and interest is earned.

Utility Revenue Bond Fund - 509 where funds are accumulated to pay debt service on Revenue Bonds issued for Public Utilities. These funds earn interest prior to distribution.

REVENUE BUDGET

DESCRIPTION OF FUNDS

Utility Revenue Fund - 510 where all of the revenues other than interest are collected for the Department of Utilities. Money is transferred out of this account monthly to fulfill the department's obligations. The primary sources of revenues include Sale of Water, Sewer Service Charge, Sewer Connection Fees, and Water Connection Fees. The department tends to project revenues conservatively. Budget includes annual water & sewer rate increases of 4.9% approved February 26, 2013.



CHESAPEAKE UTILITY REVENUE FUND - 510 REVENUES

(Based on Year End Trial Balance Reports and Water Production Reports for Fund 510)

Water Sales are in units of Million Gallons per Day (MGD)

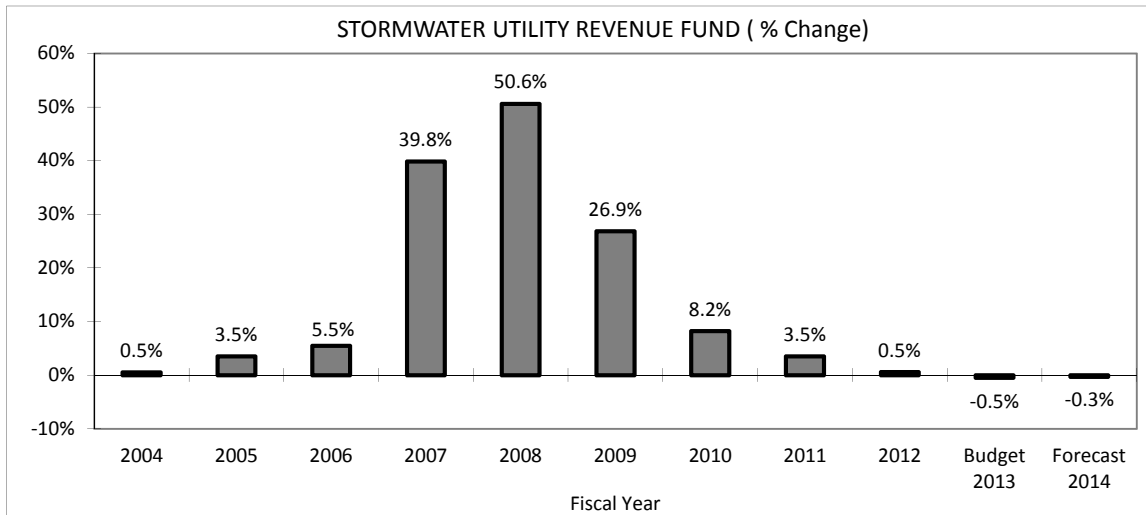
<u>Fiscal Year</u>	<u>Total Revenue</u>	<u>Change</u>	<u>Water Sales</u>	<u>Change</u>
2004	\$39,898,644	15.8%	14.92	1.2%
2005	\$39,725,069	-0.4%	15.27	2.4%
2006	\$42,572,239	7.2%	15.28	0.0%
2007	\$47,733,826	12.1%	15.50	1.4%
2008	\$52,581,559	10.2%	15.39	-0.7%
2009	\$55,458,110	5.5%	14.72	-4.4%
2010	\$54,554,347	-1.6%	14.61	-0.8%
2011	\$65,616,716	20.3%	14.86	1.7%
2012	\$64,868,757	-1.1%	14.14	-4.8%
Budget 2013	\$57,385,150	-11.5%	13.64	-3.6%
Forecast 2014	\$62,600,610	9.1%	13.51	-0.9%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Stormwater Enterprise Fund - 520

Established to account for revenues and expenditures related to the operation of the Stormwater Management Division of Public Works. The primary source of revenue in this enterprise fund is from a Stormwater Utility Fee assessed on real estate. The fund also receives Interest Income on unspent cash balances along with Interest and Service Charges on delinquent Stormwater Utility Fees. The current rate is \$7.85 per Residential Equivalent Unit.



CHESAPEAKE STORMWATER ENTERPRISE FUND - 520 REVENUES

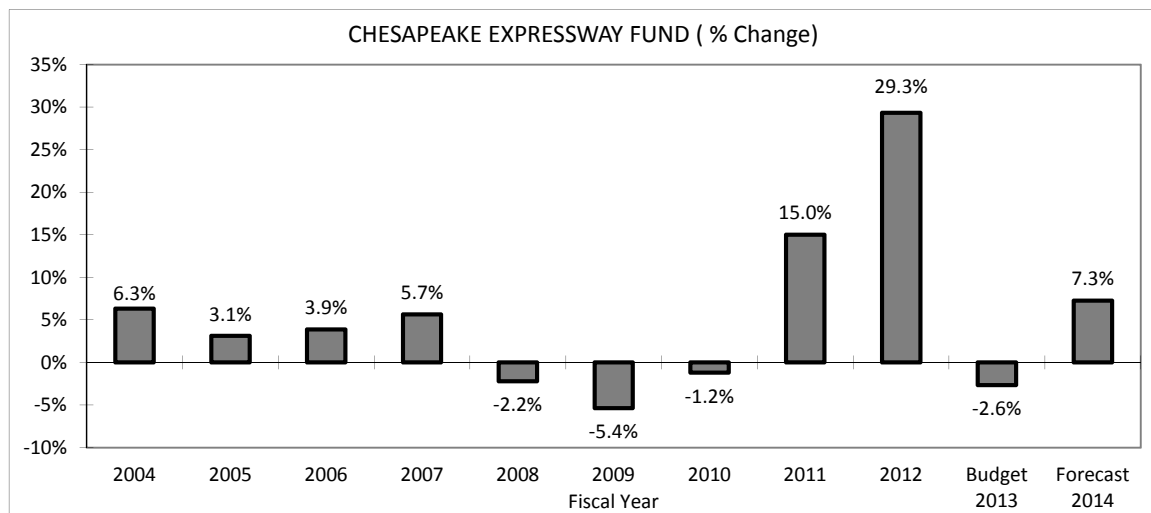
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$4,579,702	0.5%
2005	\$4,739,050	3.5%
2006	\$4,998,371	5.5%
2007	\$6,988,335	39.8%
2008	\$10,524,147	50.6%
2009	\$13,350,476	26.9%
2010	\$14,446,522	8.2%
2011	\$14,951,070	3.5%
2012	\$15,032,653	0.5%
Budget 2013	\$14,953,094	-0.5%
Forecast 2014	\$14,906,000	-0.3%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Chesapeake Transportation System Fund - 525

Formerly the Chesapeake Expressway Fund established to account for revenues and expenditures related to the operation and debt service of Route 168, which is operated as a toll road by the Department of Public Works. The revenues in this fund come primarily from the Cash and Electronic (prepaid) Tolls. A small amount of revenue may also come from Interest, Recovered Costs and Service Charges. The FY12 increase reflects a toll rate increase approved March effective May 1, 2011. Effective FY14, the fund also includes a future toll road now under construction that encompasses Route 17, Dominion Boulevard, and the Steel Bridge.



CHESAPEAKE CHESAPEAKE TRANSPORTATION SYSTEM FUND - 525 REVENUES

<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$6,839,663	6.3%
2005	\$7,053,292	3.1%
2006	\$7,328,841	3.9%
2007	\$7,742,964	5.7%
2008	\$7,573,725	-2.2%
2009	\$7,166,697	-5.4%
2010	\$7,080,701	-1.2%
2011	\$8,144,671	15.0%
2012	\$10,533,857	29.3%
Budget 2013	\$10,255,892	-2.6%
Forecast 2014	\$11,000,963	7.3%

REVENUE BUDGET

DESCRIPTION OF FUNDS

INTERNAL SERVICE FUNDS DESCRIPTIONS

The City of Chesapeake maintains three internal service funds to supply the needs of the various departments within the city. The revenues earned in each fund are related to the services that they provide to other departments and are primarily internal charges rather than true revenues. These internal service funds include:

Central Fleet Management Fund - 601

Established to account for revenues and expenditures related to the operation of the City Garage. The fund is used to maintain the vehicles and equipment owned by the City. The primary source of revenue is a vehicle lease charge that is paid by the department being served.

Information Technology Fund - 603

Established to account for revenues and expenditures related to the operation of the City's Information Technology Department. The department services and maintains the City's computer and communication systems. The primary source of revenue is the Sale of Computer Services, which is received from the departments being served.

Self-Insurance Fund - 606

Established to account for revenues and expenditures related to the operation of the City's Risk Management operations. Risk Management is responsible for supplying the various insurance needs of the City. The primary source of revenue is the Sale of Service to Departments.

REVENUE BUDGET

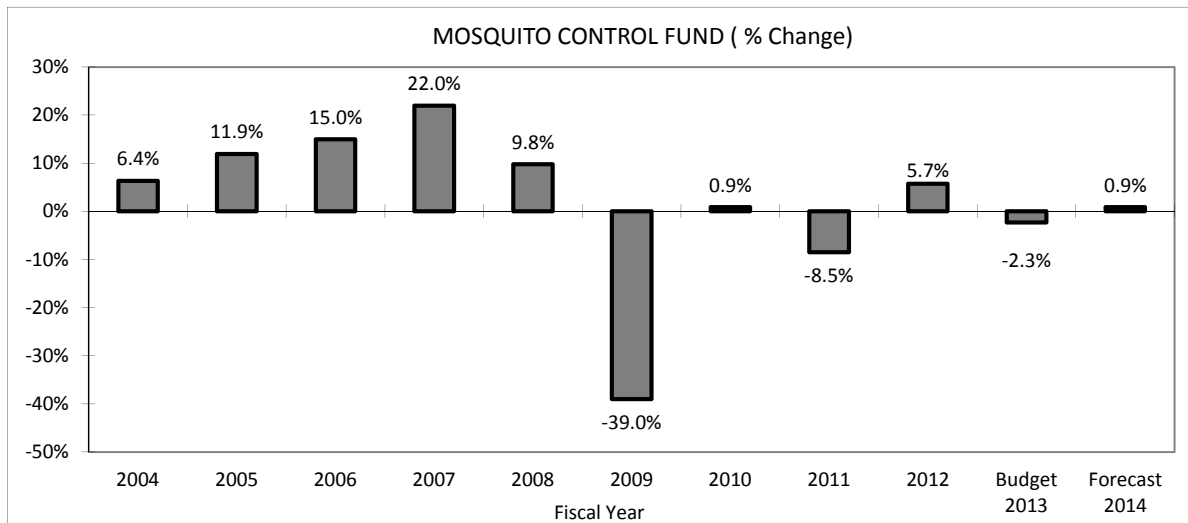
DESCRIPTION OF FUNDS

OTHER COMPONENT FUNDS DESCRIPTIONS

Other component units included in this budget document include the Mosquito Control Commission and Public Schools.

Mosquito Control Commission Fund - 800

Established to account for revenues and expenditure related to the operations of the Mosquito Control Commission of the City of Chesapeake. The primary source of revenue for the Mosquito Control Commission includes general property taxes on real estate (\$0.01/\$100), personal property (\$0.08/\$100), and public service corporation real and personal property. The Commission also receives some Interest Income on their unspent cash balances. Effective FY-04, five separate district commissions were consolidated into a single fund. Effective FY-09 the real estate rate was reduced from \$0.02/\$100 to \$0.01/\$100.



CHESAPEAKE MOSQUITO CONTROL COMMISSION FUND - 800 REVENUES

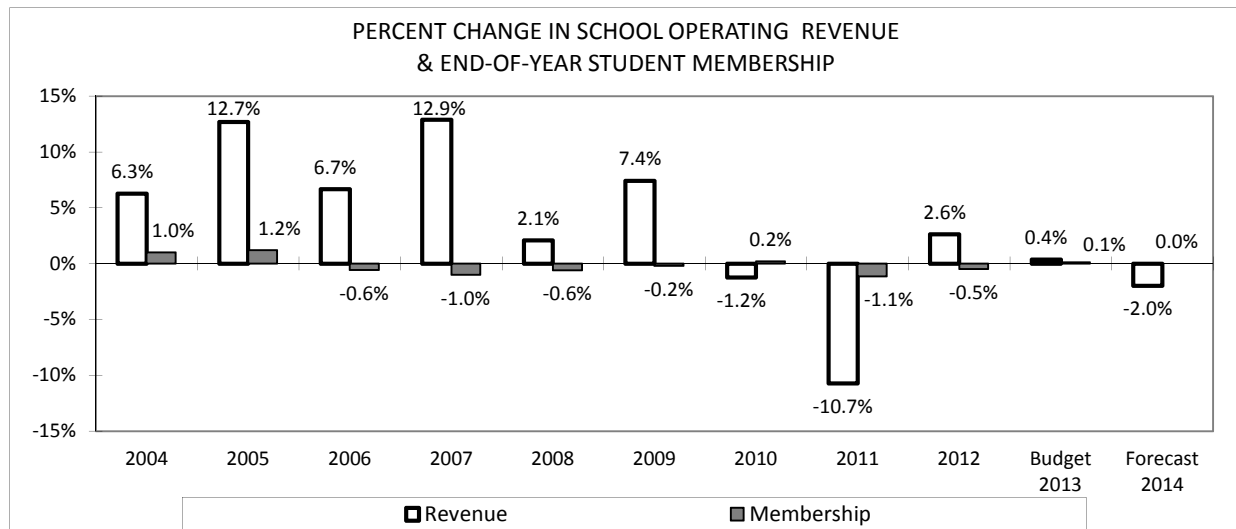
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>
2004	\$3,814,844	6.4%
2005	\$4,270,559	11.9%
2006	\$4,910,388	15.0%
2007	\$5,989,637	22.0%
2008	\$6,577,386	9.8%
2009	\$4,012,088	-39.0%
2010	\$4,046,689	0.9%
2011	\$3,702,497	-8.5%
2012	\$3,913,637	5.7%
Budget 2013	\$3,823,046	-2.3%
Forecast 2014	\$3,855,878	0.9%

REVENUE BUDGET

DESCRIPTION OF FUNDS

School Funds - 900 through 942

Established to account for revenues and expenditures related to the operation of the City's public school system. The revenues in these funds come primarily from State agencies for operations and Federal agencies for grants. The major revenue sources are Basic Aid, Sales Tax Revenue, and Special Education funding from the State. The School Funds also receive revenues from Grants such as National School Lunch and Breakfast Programs, and Title I and Section 611 Federal Grants, as well as from Charges for Services such as sale of meals and tuition for summer school, adult education, and driver education. The transfer from the City General Fund and support for capital expenses are not included in this chart.



CHESAPEAKE SCHOOL FUNDS - 900 THROUGH 942 REVENUES

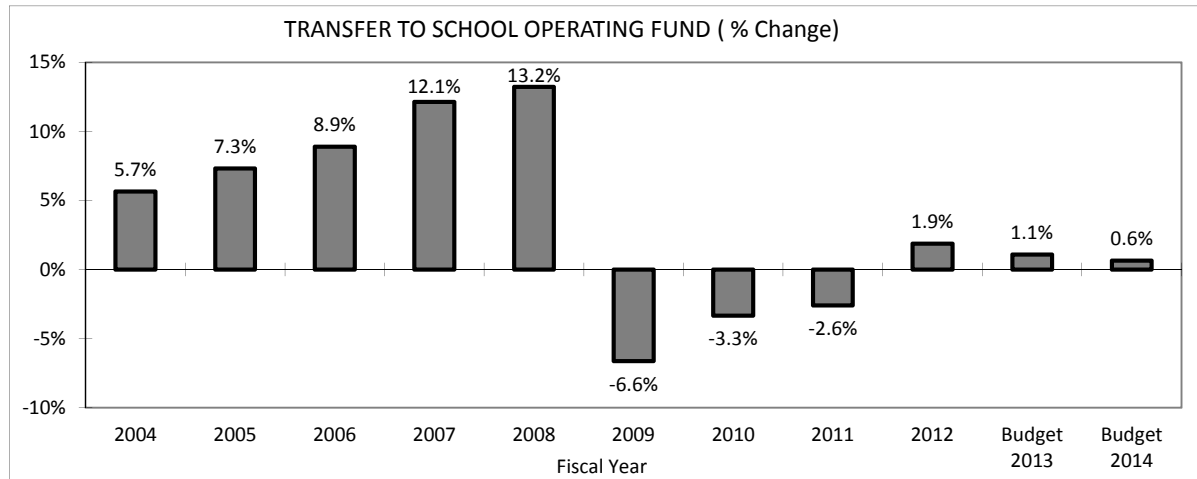
<u>Fiscal Year</u>	<u>Revenue</u>	<u>Change</u>	<u>End-of-Year Membership</u>	<u>Change</u>
2004	\$189,661,945	6.3%	39,449	1.0%
2005	\$213,726,115	12.7%	39,926	1.2%
2006	\$227,966,335	6.7%	39,694	-0.6%
2007	\$257,323,805	12.9%	39,295	-1.0%
2008	\$262,655,325	2.1%	39,059	-0.6%
2009	\$282,130,946	7.4%	38,981	-0.2%
2010	\$278,621,706	-1.2%	39,059	0.2%
2011	\$248,702,902	-10.7%	38,615	-1.1%
2012	\$255,245,247	2.6%	38,425	-0.5%
Budget 2013	\$256,173,925	0.4%	38,467	0.1%
Forecast 2014	\$251,099,553	-2.0%	38,467	0.0%

REVENUE BUDGET

DESCRIPTION OF FUNDS

Transfer to Schools

A large portion General Fund revenues is transferred to other funds - principally to fund school operations, school and city-wide debt service, Social Services, Community Services, Interagency Consortium, and capital construction projects. The General Fund also receives transfers from other funds of interest earned on cash balances. The transfer to the school operating budget represents by far the largest of the transfers. About 40% of school operating expenses and a significant portion of the capital expenses and all of the debt service are funded by the General Fund.



CHESAPEAKE TRANSFER TO SCHOOL OPERATING FUND

<u>Fiscal Year</u>	<u>Amount</u>	<u>Change</u>
2004	\$127,628,809	5.7%
2005	\$136,961,818	7.3%
2006	\$149,149,921	8.9%
2007	\$167,260,166	12.1%
2008	\$189,393,501	13.2%
2009	\$176,836,793	-6.6%
2010	\$170,943,767	-3.3%
2011	\$166,488,283	-2.6%
2012	\$169,600,054	1.9%
Budget 2013	\$171,438,112	1.1%
Budget 2014	\$172,544,487	0.6%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

GENERAL FUND (FUND 100)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Tax Revenues</u>				
<u>General Property Taxes</u>				
Taxes-Curr Real Property	\$ 223,499,035	\$ 217,904,623	\$ 218,483,254	0.27%
Taxes-Curr Real Property-Committed	(271,284)	(271,284)	(271,284)	0.00%
Taxes-Delinq Real Property	4,556,455	3,786,900	4,500,000	18.83%
Taxes-Curr PubSvcCorp	10,456,272	10,190,000	10,466,000	2.71%
Taxes-Curr Pers Property	35,191,866	38,604,000	38,000,000	-1.56%
Taxes-Curr Pers Property-Refunds	(2,158,564)	(2,300,000)	(2,400,000)	4.35%
Taxes-Delinq Pers Property	10,944,618	9,569,495	10,183,339	6.41%
Taxes-Penalties-RE&PP	1,647,365	1,495,410	1,659,486	10.97%
Taxes-Interest-RE&PP	1,076,990	901,700	1,021,489	13.28%
General Property Taxes	<u>\$ 284,942,753</u>	<u>\$ 279,880,844</u>	<u>\$ 281,642,284</u>	<u>0.63%</u>
<u>Other Local Taxes</u>				
Taxes-Sales and Use	\$ 33,751,540	\$ 34,000,000	\$ 36,085,068	6.13%
Taxes-Utility Consumer Gas	1,830,161	1,994,850	1,900,000	-4.75%
Taxes-Utility Electric	8,197,817	8,564,810	8,600,000	0.41%
Taxes-Communications Sales Tax	12,138,513	12,027,213	12,505,096	3.97%
Taxes-Communications Sales Tax-Committed	(5,043,468)	(4,947,998)	(4,947,998)	0.00%
Taxes-Business and Occupation	24,752,986	21,031,000	25,923,713	23.26%
Taxes-Local Consumption	782,335	891,280	795,480	-10.75%
Excavation Fees	31,715	35,400	31,715	-10.41%
Licenses-Motor Vehicle	5,302,958	5,137,270	5,517,197	7.40%
Vehicle License Late Fees	749,308	600,000	779,580	29.93%
Taxes-Bank Stock	1,175,309	1,449,110	1,228,741	-15.21%
Taxes-Local Recordation	2,671,560	2,394,350	2,872,698	19.98%
Taxes-Tobacco	4,690,129	4,665,440	4,690,129	0.53%
Taxes-Admission	860,118	669,840	947,872	41.51%
Taxes-Pari Mutual Waging Pool	91,175	85,550	91,175	6.58%
Taxes-Sales Motel Rooms	4,139,954	4,308,640	4,364,795	1.30%
Taxes-Short Term Rental	340,070	298,640	430,188	44.05%
Taxes-Restaurant-Food	20,194,924	20,238,850	21,851,949	7.97%
Other Local Taxes	<u>\$ 116,657,103</u>	<u>\$ 113,444,245</u>	<u>\$ 123,667,398</u>	<u>9.01%</u>
Total Local Taxes	<u><u>\$ 401,599,856</u></u>	<u><u>\$ 393,325,089</u></u>	<u><u>\$ 405,309,682</u></u>	<u><u>3.05%</u></u>

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

GENERAL FUND (FUND 100)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail (Continued)</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Other Local Resources</u>				
Permits, Privilege & License Fees	\$ 2,254,819	\$ 1,973,388	\$ 2,400,631	21.65%
Fines and Forfeitures	2,675,066	2,302,130	2,815,367	22.29%
Use of Money and Property	1,180,716	740,775	1,214,422	63.94%
Charges for Services	10,664,104	8,651,565	10,306,971	19.13%
Miscellaneous Revenue	515,812	67,460	107,020	58.64%
Recovered Costs	401,258	200	302	51.00%
Total Other Local Resources	\$ 17,691,775	\$ 13,735,518	\$ 16,844,713	22.64%
Total Revenues From Local Sources	\$ 419,291,630	\$ 407,060,607	\$ 422,154,395	0
<u>Aid From The Commonwealth</u>				
State Noncategorical Aid	\$ 29,223,159	\$ 29,141,994	\$ 30,684,889	5.29%
State Aid Shared Expenses	12,118,134	12,315,347	12,557,859	1.97%
Other State Categorical Aid	40,208,248	39,978,138	40,780,676	2.01%
Total Aid From the Commonwealth	\$ 81,549,541	\$ 81,435,479	\$ 84,023,424	3.18%
<u>Aid From The Federal Government</u>				
Federal Aid	\$ 150,689	\$ 92,663	\$ 50,824	-45.15%
General Fund Revenues	\$ 500,991,861	\$ 488,588,749	\$ 506,228,643	3.61%
VIRGINIA PUBLIC ASSISTANCE (FUND 201)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 3,176	\$ 0	\$ 0	0.00%
Charges for Services	713	1,200	1,200	0.00%
Recovered Costs	15,998	10,500	12,800	21.90%
Total Local Revenues	\$ 19,887	\$ 11,700	\$ 14,000	19.66%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 5,127,629	\$ 4,970,333	\$ 5,464,082	9.93%
Federal Aid	9,587,534	7,226,411	8,019,095	10.97%
Total State & Federal Aid	\$ 14,715,163	\$ 12,196,744	\$ 13,483,177	10.55%
Virginia Public Assistance Revenues	\$ 14,735,050	\$ 12,208,444	\$ 13,497,177	10.56%

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

INTERAGENCY CONSORTIUM (FUND 203)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 402	\$ 0	\$ 0	0.00%
Recovered Costs	78,667	0	0	0.00%
Total Local Revenues	\$ 79,069	\$ 0	\$ 0	0.00%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 1,989,841	\$ 2,111,834	\$ 2,111,834	0.00%
Interagency Consortium Revenues	\$ 2,068,911	\$ 2,111,834	\$ 2,111,834	0.00%

FEE SUPPORTED ACTIVITIES (FUND 204)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Permits, Privilege & License Fees	\$ 167,727	\$ 185,583	\$ 163,583	-11.85%
Fines and Forfeitures	524,736	935,750	910,000	-2.75%
Use of Money and Property	3,369	15,439	0	-100.00%
Charges for Services	209,474	202,000	234,896	16.29%
Recovered Costs	15,356	15,439	10,000	-35.23%
Total Local Revenues	\$ 920,661	\$ 1,354,211	\$ 1,318,479	-2.64%
Fee Supported Activities Revenues	\$ 920,661	\$ 1,354,211	\$ 1,318,479	-2.64%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

COMMUNITY SERVICES BOARD (FUND 205)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 14,976	\$ 0	\$ 0	0.00%
Charges for Services	3,631,831	5,958,984	6,135,146	2.96%
Recovered Costs	1,687	0	0	0.00%
Total Local Revenues	\$ 3,648,494	\$ 5,958,984	\$ 6,135,146	2.96%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 7,733,679	\$ 7,654,390	\$ 7,704,963	0.66%
Federal Aid	1,058,218	1,037,827	1,112,283	7.17%
Total State & Federal Aid	\$ 8,791,897	\$ 8,692,217	\$ 8,817,246	1.44%
Community Services Revenues	\$ 12,440,391	\$ 14,651,201	\$ 14,952,392	2.06%

CONFERENCE CENTER (FUND 206)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Other Local Taxes	\$ 3,417,566	\$ 3,386,760	\$ 3,380,302	-0.19%
Use of Money and Property	196,925	240,000	213,170	-11.18%
Charges for Services	152,152	175,000	160,550	-8.26%
Miscellaneous Revenue	1,572,357	1,817,922	1,668,593	-8.21%
Recovered Costs	16,948	15,000	15,950	6.33%
Total Local Revenues	\$ 5,355,948	\$ 5,634,682	\$ 5,438,565	-3.48%
Conference Center Revenues	\$ 5,355,948	\$ 5,634,682	\$ 5,438,565	-3.48%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

E-911 OPERATIONS (FUND 207)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Other Local Taxes	\$ 5,043,468	\$ 4,947,998	\$ 4,947,998	0.00%
Use of Money and Property	16,764	0	0	0.00%
Recovered Costs	2,000	0	0	0.00%
Total Local Revenues	\$ 5,062,232	\$ 4,947,998	\$ 4,947,998	0.00%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 1,148,921	\$ 1,000,000	\$ 1,275,494	27.55%
E-911 Operations Revenues	\$ 6,211,153	\$ 5,947,998	\$ 6,223,492	4.63%

JUVENILE SERVICES (FUND 208)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 1,923	\$ 0	\$ 0	0.00%
Charges for Services	9,612	10,653	10,653	0.00%
Recovered Costs	1,496,481	1,456,350	1,456,350	0.00%
Total Local Revenues	\$ 1,508,016	\$ 1,467,003	\$ 1,467,003	0.00%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 2,162,614	\$ 2,138,316	\$ 2,138,314	0.00%
Juvenile Services Revenues	\$ 3,670,630	\$ 3,605,319	\$ 3,605,317	0.00%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

GREENBRIER TIF (FUND 209)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
General Property Taxes	\$ 4,203,228	\$ 3,680,102	\$ 4,837,759	31.46%
Use of Money and Property	29,693	0	0	0.00%
Total Local Revenues	\$ 4,232,921	\$ 3,680,102	\$ 4,837,759	31.46%
Greenbrier TIF Revenues	\$ 4,232,921	\$ 3,680,102	\$ 4,837,759	31.46%
SOUTH NORFOLK TIF (FUND 212)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
General Property Taxes	\$ 3,985,671	\$ 3,354,120	\$ 3,534,645	5.38%
Use of Money and Property	28,981	0	0	0.00%
Total Local Revenues	\$ 4,014,652	\$ 3,354,120	\$ 3,534,645	5.38%
South Norfolk TIF Revenues	\$ 4,014,652	\$ 3,354,120	\$ 3,534,645	5.38%
OPEN SPACE & AGRICULTURAL PRESERVATION - OSAP (FUND 210)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
General Property Taxes	\$ 271,284	\$ 271,284	\$ 271,284	0.00%
OSAP Fund Revenues	\$ 271,284	\$ 271,284	\$ 271,284	0.00%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

PARKS & RECREATION (FUND 213)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 110,595	\$ 125,340	\$ 109,136	-12.93%
Charges for Services	699,695	717,800	674,314	-6.06%
Miscellaneous Revenue	390,447	378,400	816,889	115.88%
Recovered Costs	548	0	0	0.00%
Total Local Revenues	\$ 1,201,285	\$ 1,221,540	\$ 1,600,339	31.01%
Parks & Recreation Revenues	\$ 1,201,285	\$ 1,221,540	\$ 1,600,339	31.01%
CITY-WIDE DEBT (FUND 401)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 332,687	\$ 194,889	\$ 271,206	39.16%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 219,959	\$ 221,984	\$ 190,239	-14.30%
Federal Aid	846,997	960,783	959,809	-0.10%
Total State & Federal Aid	\$ 1,066,956	\$ 1,182,767	\$ 1,150,048	-2.77%
City Wide Debt Fund Revenues	\$ 1,399,643	\$ 1,377,656	\$ 1,421,254	3.16%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

UTILITIES MAINTENANCE

AND CAPITAL (FUNDS 501-509)

<u>Resource Detail</u>	<u>FY 2011-12 Actual</u>	<u>FY 2012-13 Budget</u>	<u>FY 2013-14 Estimated</u>	<u>Change From Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 6,975	\$ 100,000	\$ 0	-100.00%
Recovered Costs	698	0	0	0.00%
Total Local Revenues	\$ 7,673	\$ 100,000	\$ 0	-100.00%
Utilities Capital & Maintenance Revenues	\$ 7,673	\$ 100,000	\$ 0	-100.00%

UTILITY REVENUE (FUND 510)

<u>Resource Detail</u>	<u>FY 2011-12 Actual</u>	<u>FY 2012-13 Budget</u>	<u>FY 2013-14 Estimated</u>	<u>Change From Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 1,655,813	\$ 931,390	\$ 1,428,390	53.36%
Charges for Services	62,131,938	55,750,440	60,468,900	8.46%
Miscellaneous Revenue	77,304	50,000	50,000	0.00%
Recovered Costs	350,881	500	500	0.00%
Total Local Revenues	\$ 64,215,935	\$ 56,732,330	\$ 61,947,790	9.19%
<u>State & Federal Aid</u>				
Federal Aid	\$ 652,822	\$ 652,820	\$ 652,820	0.00%
Utility Revenue Fund	\$ 64,868,757	\$ 57,385,150	\$ 62,600,610	9.09%

STORMWATER MANAGEMENT (FUND 520)

<u>Resource Detail</u>	<u>FY 2011-12 Actual</u>	<u>FY 2012-13 Budget</u>	<u>FY 2013-14 Estimated</u>	<u>Change From Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 199,601	\$ 100,000	\$ 100,000	0.00%
Charges for Services	14,829,158	14,843,094	14,806,000	-0.25%
Miscellaneous Revenue	0	10,000	0	-100.00%
Recovered Costs	3,895	0	0	0.00%
Total Local Revenues	\$ 15,032,653	\$ 14,953,094	\$ 14,906,000	-0.31%
Stormwater Management Revenues	15,032,653	14,953,094	14,906,000	-0.31%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

CHESAPEAKE TRANSPORTATION SYSTEM

(FUND 525)

<u>Resource Detail</u>	<u>FY 2011-12 Actual</u>	<u>FY 2012-13 Budget</u>	<u>FY 2013-14 Estimated</u>	<u>Change From Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 45,744	\$ 10,000	\$ 10,000	0.00%
Charges for Services	10,403,772	10,230,892	10,975,963	7.28%
Miscellaneous Revenue	264	0	0	0.00%
Recovered Costs	84,077	15,000	15,000	0.00%
Total Local Revenues	\$ 10,533,857	\$ 10,255,892	\$ 11,000,963	7.26%
Expressway Revenues	\$ 10,533,857	\$ 10,255,892	\$ 11,000,963	7.26%

FLEET MANAGEMENT (FUND 601)

<u>Resource Detail</u>	<u>FY 2011-12 Actual</u>	<u>FY 2012-13 Budget</u>	<u>FY 2013-14 Estimated</u>	<u>Change From Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 181,249	\$ 0	\$ 0	0.00%
Charges for Services	76,061	154,691	163,382	5.62%
Miscellaneous Revenue	13,574,638	13,593,556	13,986,549	2.89%
Recovered Costs	27,524	0	0	0.00%
Total Local Revenues	\$ 13,859,472	\$ 13,748,247	\$ 14,149,931	2.92%
Fleet Management Revenues	\$ 13,859,472	\$ 13,748,247	\$ 14,149,931	2.92%

INFORMATION TECHNOLOGY (FUND 603)

<u>Resource Detail</u>	<u>FY 2011-12 Actual</u>	<u>FY 2012-13 Budget</u>	<u>FY 2013-14 Estimated</u>	<u>Change From Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 213,248	\$ 160,000	\$ 170,000	6.25%
Miscellaneous Revenue	8,998,226	8,634,447	8,693,689	0.69%
Recovered Costs	12,448	0	0	0.00%
Total Local Revenues	\$ 9,223,922	\$ 8,794,447	\$ 8,863,689	0.79%
Information Technology Revenues	\$ 9,223,922	\$ 8,794,447	\$ 8,863,689	0.79%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

SELF INSURANCE (FUND 606)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 121,954	\$ 0	\$ 0	0.00%
Miscellaneous Revenue	3,948,120	3,908,639	4,012,200	2.65%
Recovered Costs	4,453,437	3,580,566	3,549,678	-0.86%
Total Local Revenues	\$ 8,523,511	\$ 7,489,205	\$ 7,561,878	0.97%
Self Insurance Revenues	\$ 8,523,511	\$ 7,489,205	\$ 7,561,878	0.97%
MOSQUITO CONTROL (FUND 800)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
General Property Taxes	\$ 3,828,915	\$ 3,823,046	\$ 3,855,878	0.86%
Use of Money and Property	34,070	0	0	0.00%
Miscellaneous Revenue	40,277	0	0	0.00%
Recovered Costs	10,374	0	0	0.00%
Total Local Revenues	\$ 3,913,637	\$ 3,823,046	\$ 3,855,878	0.86%
Mosquito Control Revenues	\$ 3,913,637	\$ 3,823,046	\$ 3,855,878	0.86%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

SCHOOL OPERATIONS (FUND 900)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 962,167	\$ 1,294,000	\$ 1,294,000	0.00%
Charges for Services	895,503	1,220,920	738,800	-39.49%
Miscellaneous Revenue	1,440,051	829,135	854,135	3.02%
Total Local Revenues	\$ 3,297,721	\$ 3,344,055	\$ 2,886,935	-13.67%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 194,140,976	\$ 198,694,247	\$ 203,901,584	2.62%
Federal Aid	3,002,325	3,325,600	3,325,600	0.00%
Total State & Federal Aid	\$ 197,143,301	\$ 202,019,847	\$ 207,227,184	2.58%
School Operating Fund	\$ 200,441,022	\$ 205,363,902	\$ 210,114,119	2.31%
SCHOOL GRANTS (FUND 928)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Miscellaneous Revenue	\$ 15,871	\$ 7,000	\$ 1,000	-85.71%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 4,748,585	\$ 10,675,101	\$ 10,157,125	-4.85%
Federal Aid	36,486,409	26,852,893	17,762,186	-33.85%
Total State & Federal Aid	\$ 41,234,994	\$ 37,527,994	\$ 27,919,311	-25.60%
School Grants Fund	\$ 41,250,865	\$ 37,534,994	\$ 27,920,311	-25.62%

City of Chesapeake, Virginia
FY 2013-14 Operating Budget

REVENUE BUDGET BY FUND

Notes: Committed revenues are pledged for use in specific special revenue funds

SCHOOL TEXTBOOK (FUND 940)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 1,000	\$ 35,000	\$ 35,000	0.00%
Charges for Services	3,000	5,000	5,000	0.00%
Total Local Revenues	\$ 4,000	\$ 40,000	\$ 40,000	0.00%
School Textbook Fund	\$ 4,000	\$ 40,000	\$ 40,000	0.00%
SCHOOL FOOD SERVICE (FUND 941)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Use of Money and Property	\$ 2,500	\$ 5,509	\$ 13,500	145.05%
Charges for Services	6,738,660	6,591,000	4,699,500	-28.70%
Miscellaneous Revenue	61,000	65,000	47,000	-27.69%
Total Local Revenues	\$ 6,802,160	\$ 6,661,509	\$ 4,760,000	-28.54%
<u>State & Federal Aid</u>				
Other State Categorical Aid	\$ 217,200	\$ 216,000	\$ 262,000	21.30%
Federal Aid	6,250,000	6,256,000	6,975,000	11.49%
Total State & Federal Aid	\$ 6,467,200	\$ 6,472,000	\$ 7,237,000	11.82%
School Food Service Fund	\$ 13,269,360	\$ 13,133,509	\$ 11,997,000	-8.65%
SCHOOL CELL TOWER (FUND 942)	FY 2011-12	FY 2012-13	FY 2013-14	Change From
<u>Resource Detail</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Prior Year</u>
<u>Local Revenues</u>				
Miscellaneous Revenue	\$ 280,000	\$ 101,520	\$ 70,000	-31.05%
School Cell Tower Fund	\$ 280,000	\$ 101,520	\$ 70,000	-31.05%

REAL ESTATE RECAPITULATION -- JANUARY 1, 2013

Each year, the Real Estate Assessor provides a calculation of what the real property tax rate would be if it were adjusted to maintain revenues after revaluation of existing properties. This information is provided to the City Council as an indicator of the increase in property valuations. Information on this calculation for the FY 2013-14 tax year is provided below.

Statement of Changes in Assessments Required by Code of Virginia Title §58.1-3321

Assessment Change is the change in the total assessed value of real property, excluding additional assessments due to new construction or improvements to property, over the previous year's total assessed value of real property.

Rate Change Necessary to Offset Assessment Change is the tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above.

Effective Tax Rate is the difference between the Assessed tax rate and the current rate used in the budget.

January 1, 2013 Total Taxable Assessed Value:	\$	22,219,922,992
Allowable Adjustments (Construction, Land Development and Rezoning):	\$	<u>(182,978,000)</u>
January 1, 2012 Adjusted Taxable Assessed Value:	\$	22,036,944,992
July 1, 2012 Taxable <i>Land Book</i> Assessed Value:	\$	22,164,609,234
January 1, 2013 Adjusted Assessed Value over/(under) July 1, 2012 <i>Adjusted Land Book</i> :	\$	(8,724,100)
January 1, 2013 Percentage Change in Adjusted Assessed Value over July 1, 2012 Total Assessed Value:		-0.540%
Current Tax Rate:	\$	1.040
Rate Necessary to Offset Decreased Assessment:	\$	1.046
Effective Tax Rate \$ Decrease	\$	(0.006)

