



3. Overview of All Funds

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GOVERNMENTAL-TYPE FUNDS

The City's adopted budget contains appropriations for major and non-major governmental-type funds. The General Fund, Capital Improvement Fund, Debt Service Fund, and the Economic Development Fund are all considered major governmental-type funds. The non-major governmental-type funds presented in this budget are Community Development Block Grant (CDBG), Stormwater Management and the two Community Development Authorities - the Peninsula Town Center and the H2O. The modified accrual basis is used to budget all governmental-type funds.

A description which explains the purpose of each of the funds listed in the Manager's Recommended Budget are presented in the order which they appear in the document.

General Fund

The General Fund is the City's primary operating Fund. The General Fund accounts for all revenues and expenditures of the City, which are not accounted for in other Funds. Revenues are primarily derived from general property taxes, other local taxes, revenue from other governmental units and recovered costs. A significant part of the General Fund's revenue is transferred to other Funds, principally to fund the operations of the Hampton City Schools and debt service requirements of the City. Expenditures include, among other things, those for general government, public safety, highways and streets, culture and recreation and health and human services.

Capital Improvement Fund

The Capital Projects Fund accounts for all general City and School construction projects and reports financial resources that are restricted, committee or assigned to expenditures for capital outlays which are financed through general obligation debt and general operating funds, with the exception of projects related to Enterprise and Internal Service Funds.

Debt Service Fund

The Debt Service Fund accounts for and reports financial resources that are restricted, committed or assigned to expenditure for principal and interest. Primary resources of the Debt Service Fund are derived from transfers from the General Fund and the proceeds from the issuance of refunding bonds.

PROPRIETARY-TYPE FUNDS

The departments within these Funds are accounted for on a similar basis as a private business. The City maintains two types of propriety funds; Internal Service and Enterprise Funds. These funds are budgeted using the full accrual basis for budgeting.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The Internal Service Fund departments include the Equipment Replacement Fund, Fleet Services Fund, Information Technology Fund and Risk Management.



- **Equipment Replacement Fund** accounts for the costs of replacing the City's vehicles and certain equipment.
- **Fleet Services Fund** accounts for the operations of the City's central automotive maintenance and major vehicle service facility.
- **Information Technology Fund** accounts for the costs of providing the following services: computer technical support, internet and telecommunications services.
- **Risk Management Fund** accounts for the costs of providing insurance coverage and certain self-insured liabilities of the City and the School Board.

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs of operating and providing services to the general public are completely or partially financed from user fees; or (b) where the governing body has determined the periodic determination of net operations is appropriate for management control and accountability. The City's Enterprise Funds account for the operation of the Hampton Coliseum and Arts Commission, the Hampton Roads Convention Center, the Hamptons Golf Course and the Woodlands Golf Course. Revenues for these Funds are derived from user fees and meal and lodging taxes.

- **Hampton Coliseum/Arts Commission Fund** accounts for revenues generated and expenses associated with shows, meetings, civic/community events and other activities provided by the Hampton Coliseum and Arts Commission.
- **Hampton Roads Convention Center Fund** accounts for the revenues and expenses associated with the activities conducted at the Convention Center.
- **The Hamptons Golf Course Fund accounts** for the operations of three 9-hole golf courses, snack bar, pro shop and miscellaneous rental revenues.
- **The Woodlands Golf Course Fund** accounts for the operations of an 18-hole golf course, snack bar, pro shop and miscellaneous rental revenues.

Public Works Funds

Also included under the Enterprise Fund model is the Solid Waste Management Fund, the Refuse-Steam Plant Fund and the Wastewater Management Fund. The Stormwater Management Fund, which is technically a Special Revenue Fund, is also included in the *Public Works Fund* grouping. Revenues for these Funds are derived from user fees.

- **Solid Waste Management Fund** is an Enterprise Fund which pays for such services as refuse collection and recycling. Revenue for this fund is derived from commercial tipping fees and residential user fees.
- **Steam Plant Fund** is an Enterprise Fund that accounts for the City's steam generating plant operations. Revenues are derived from solid waste disposal fee (tipping fee) charged to the Solid Waste Fund, the sale of steam to the United States Government and user fees charged to other external customers.



- **Stormwater Management Fund** is a Special Revenue Fund that accounts for those services that improve the City's storm drainage system. The revenues for this fund are derived primarily from Stormwater user fees.
- **Wastewater Management Fund** is an Enterprise Fund, created in FY 2000, earmarks sewer revenues for sewer line upgrades. Revenue for this fund comes from the sewer user fee and new connections fees.

Special Revenue Funds

Revenues in this fund are restricted for a specific purpose. Examples of special revenue funds are the Community Development Block Grant (CDBG) Fund, the Economic Development Fund and the Grant Fund.

- **Community Development Block Grant (CDBG) Fund** is the depository for the funds that are awarded to the City annually from the Department of Housing and Urban Development. CDBG funds are used to complement other resources in the implementation of the Healthy Neighborhoods Initiative.
- **Economic Development Fund** was established to finance the costs of capital investments, improvement, expenditure and any other approved expenditure, which will assist economic development and improve the physical appearance of the City. Revenues are earned from unrestricted land sales, special assessments, projects financed by the Fund and unrestricted rental receipts.
- **Grant Fund** is an internal depository that houses financial awards given predominately by federal and state agencies for programs that provide public services. Due to the stringent compliance and reporting requirements, the city utilizes the Grant Fund for accounting and reporting purposes.



FY 2019 General Fund

Category	Revenues	Expenses	PFT Positions
General Property Revenues	185,886,532		
Other Local Revenues	98,941,220		
State Revenues	49,367,564		
Federal Revenues	30,500		
Schools Revenues (Other than City)	128,263,257		
Transfers in	8,676,858		
Constitutional, Judicial & Electoral		16,373,345	90.0
Economic Vitality & Neighborhoods		7,904,462	99.0
Infrastructure		18,956,203	163.0
Leisure Services		6,903,762	70.0
Public Safety		49,791,850	716.0
Quality Government		16,977,559	111.0
Youth & Families		28,609,103	257.0
Retirement & Benefits		43,689,176	
Contributions to Outside Agencies		21,271,068	
Debt Service		34,204,811	
School Operations		202,090,299	
Transfers out		24,394,293	
Grand Total	471,165,931	471,165,931	1,506.0



FY 2019 Non-General Funds

Category	Revenues	Expenses	PFT Positions
Capital Improvement Plan (CIP) Fund			
General Fund Revenues	15,128,732		
Other Revenues	36,373,690		
Educated & Engaged Citizenry Projects		7,466,151	
Economic Growth Projects		8,131,721	
Good Government Projects		16,764,848	
Living with Water Projects		7,712,613	
Placemaking Projects		7,140,000	
Safe & Clean Community Projects		4,287,089	
Capital Improvement Plan (CIP) Fund Total	51,502,422	51,502,422	
Enterprise Funds			
Convention Center	10,220,450	10,220,450	
Hampton Coliseum/Arts Commission	7,051,554	7,051,554	30.0
Hamptons Golf Course	949,349	949,349	7.0
Woodlands Golf Course	749,411	749,411	6.0
Enterprise Funds Total	18,970,764	18,970,764	43.0
Internal Services Funds			
Fleet Services	6,975,234	6,975,234	24.0
Fleet Services - Equipment Replacement	3,033,867	3,033,867	
Information Technology	2,971,573	2,971,573	4.0
Risk Management	8,246,688	8,246,688	5.5
Internal Services Funds Total	21,227,362	21,227,362	33.5
Public Works Funds			
Solid Waste Management	16,016,099	16,016,099	62.0
Steam Plant	8,088,150	8,088,150	41.0
Stormwater Management	10,869,090	10,869,090	71.5
Wastewater Management	10,595,065	10,595,065	69.0
Public Works Funds Total	45,568,404	45,568,404	243.5
Special Revenue Funds			
Economic Development Fund	665,500	665,500	
Community Development Block Grant	1,265,773	1,265,773	10.0
HOME Fund	530,793	530,793	
Special Revenue Funds Total	2,462,066	2,462,066	10.0



The City of Hampton has seven business teams - *Constitutional, Judicial and Electoral Offices; Economic Vitality and Neighborhoods; Infrastructure; Leisure Services; Public Safety; Quality Government and Youth and Families* - that are facilitated by the City Manager and the Assistant City Managers to achieve an interconnectedness critical in today's operating environment. The business teams focus the City's organization on the initiatives selected by their elected and appointed leaders. Many departments contribute to more than one business area.

Business team management enhances financial control and long-range planning by requiring that all departments focus not only on their individual needs, but on the needs of the business unit, as well. The teams are expected to develop annual and long-range goals; integrate departmental plans to key business unit plans; share resources across departmental lines as necessary; eliminate disparity in the application of organizational policies; and most of all, make a positive and substantial contribution to the attainment of the City's vision statement – to be a vibrant waterfront community celebrating and embracing more than 400 years of history and innovation to create an even more dynamic future.

Increased demands for services with dwindling local, state and federal revenues compel us to tighten financial and operational control in the organization. The clustering of departments into key business units accomplishes that goal. More importantly, however, business team management allows us to be better prepared for future challenges. No one department acting in isolation can prepare our citizens or community for these challenges – it takes a strong, coordinated and integrated effort on the part of multiple departments and outside entities to achieve what our community will need in the future.

The City Manager and staff continue their commitment to present the budget according to key business team areas.



	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget
General Fund					
Constitutional, Judicial & Electoral					
<i>Circuit Court</i>	325,935	330,190	365,104	370,585	358,156
<i>City Sheriff & Jail</i>	9,633,704	9,408,342	8,982,162	8,982,162	9,055,721
<i>City Treasurer</i>	1,719,243	1,631,199	1,817,959	1,835,551	1,790,947
<i>Clerk of the Circuit Court</i>	915,194	911,003	974,793	974,793	985,732
<i>Commissioner of the Revenue</i>	1,238,288	1,299,252	1,321,747	1,342,361	1,340,529
<i>Commonwealth's Attorney</i>	1,669,966	1,744,448	1,832,258	1,865,057	2,195,229
<i>Electoral Board & Voter Registrar</i>	390,821	410,619	384,236	385,887	392,876
<i>General District Court</i>	135,639	128,842	176,438	177,195	177,920
<i>JDR Court</i>	41,122	84,849	48,155	48,155	47,632
<i>Office of the Magistrate</i>	21,720	15,356	29,973	29,973	28,603
Constitutional, Judicial & Elect. Total	16,091,632	15,964,100	15,932,825	16,011,719	16,373,345
Economic Vitality & Neighborhoods					
<i>Assessor of Real Estate</i>	1,123,803	1,145,111	1,152,615	1,172,835	1,171,151
<i>Community Development</i>	3,026,483	3,106,013	3,143,910	3,190,349	3,189,851
<i>Conventions & Visitor Bureau</i>	2,161,894	2,212,762	2,294,472	2,308,210	2,266,138
<i>Economic Development</i>	1,239,948	1,244,335	1,285,424	1,300,537	1,277,322
Economic Vitality & Neighb. Total	7,552,128	7,708,221	7,876,421	7,971,931	7,904,462
Infrastructure					
<i>PRL - Parks Division</i>	6,076,555	5,623,824	6,023,054	6,051,575	6,073,494
<i>PW - Administration</i>	204,398	213,399	228,987	232,798	227,157
<i>PW - Drainage Maintenance</i>	1,225,734	1,114,741	1,363,238	1,372,569	1,373,573
<i>PW - Engineering</i>	601,609	654,038	694,599	705,278	733,888
<i>PW - Facilities Management</i>	4,447,448	4,587,507	4,266,045	4,287,897	4,299,553
<i>PW - Parking Facilities</i>	726,004	721,278	458,082	458,730	203,714
<i>PW - Streets & Roads</i>	2,026,297	2,187,321	2,519,219	2,536,438	2,852,900
<i>PW - Traffic Engineering</i>	2,863,243	2,928,568	3,047,773	3,056,214	3,191,924
Infrastructure Total	18,171,288	18,030,676	18,600,997	18,701,499	18,956,203
Leisure Services					
<i>Hampton History Museum</i>	306,695	349,082	359,776	364,589	360,818
<i>PRL - Boys & Girls Club</i>	25,000	25,000	25,000	25,000	25,000
<i>PRL - Recreation Division</i>	4,408,891	4,446,561	4,610,084	4,633,905	4,423,023
<i>Public Library</i>	2,071,125	2,102,055	2,094,997	2,112,076	2,094,921
Leisure Services Total	6,811,711	6,922,698	7,089,857	7,135,570	6,903,762
Public Safety					
<i>911 Emergency Communications</i>	2,603,476	2,650,124	2,617,309	2,646,285	2,756,887
<i>Emergency Management</i>	284,595	307,111	313,940	317,388	297,921
<i>Fire & Rescue Division</i>	20,970,857	21,877,816	20,910,903	21,234,749	21,219,797
<i>Police Division</i>	22,792,447	24,015,575	24,071,233	24,420,036	24,969,851
<i>Police Division - Animal Control</i>	424,889	400,815	534,677	539,234	547,394
Public Safety Total	47,076,264	49,251,441	48,448,062	49,157,692	49,791,850



	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget
Quality Government					
<i>311 Customer Call Center</i>	521,610	493,329	542,915	549,390	537,641
<i>Citizens' Unity Commission</i>	105,271	109,946	130,029	131,269	129,729
<i>City Attorney</i>	1,027,514	1,048,035	1,150,153	1,170,584	1,104,997
<i>City Manager</i>	1,222,677	1,324,180	1,329,702	1,356,704	1,285,891
<i>Contingency Reserve</i>	0	0	1,134,619	1,134,619	1,134,619
<i>Finance & Consolidated Procurement</i>	1,251,602	1,215,391	1,258,212	1,278,851	1,236,880
<i>Human Resources</i>	690,183	763,161	749,416	762,453	768,434
<i>Independent Auditors</i>	194,313	200,625	200,475	200,475	200,475
<i>Information Technology</i>	3,203,225	3,591,322	3,680,537	3,701,709	3,652,843
<i>Internal Audit</i>	175,807	178,095	182,878	185,584	188,018
<i>Marketing & Outreach</i>	656,882	658,853	735,113	742,618	740,444
<i>Municipal Council</i>	523,501	527,959	488,774	492,984	492,819
<i>Nondepartmental</i>	3,992,546	4,339,429	5,281,742	5,281,742	5,504,769
Quality Government Total	13,565,131	14,450,325	16,864,565	16,988,982	16,977,559
Youth & Families					
<i>Court Service Unit</i>	1,755,775	1,843,615	1,691,725	1,695,279	1,691,122
<i>Health Department</i>	1,259,122	1,281,382	1,316,571	1,316,571	1,258,734
<i>Human Services - Outside Agencies</i>	3,626,713	3,644,846	3,815,815	3,815,815	3,815,815
<i>Office of Youth and Young Adult Opp.</i>	344,871	427,467	489,094	493,286	367,952
<i>Social Services</i>	16,229,212	16,786,993	17,639,193	17,639,193	17,825,118
<i>VA Cooperative Extension Service</i>	54,881	66,207	62,818	62,818	68,981
<i>Youth, Education and Family Services</i>	3,508,362	3,769,070	3,632,269	3,673,927	3,581,381
Youth & Families Total	26,778,936	27,819,580	28,647,485	28,696,889	28,609,103
Retirement & Benefits					
<i>Retirement & Employee Benefits</i>	38,230,744	36,230,071	42,864,268	41,660,198	43,689,176
Retirement & Benefits Total	38,230,744	36,230,071	42,864,268	41,660,198	43,689,176
Contributions to Outside Agencies					
<i>Capital Campaigns</i>	165,000	165,000	165,000	165,000	40,000
<i>Dues, Memberships and Grants</i>	831,317	855,435	1,051,532	1,051,532	1,167,432
<i>Organizational Support</i>	10,750,708	11,658,454	11,263,079	11,263,079	11,234,182
<i>Tax Based Contributions</i>	9,224,774	7,610,515	8,652,432	8,652,432	8,829,454
Contr. to Outside Agencies Total	20,971,799	20,289,404	21,132,043	21,132,043	21,271,068
Debt Service					
<i>Principal</i>	22,336,163	21,738,152	21,973,166	21,973,166	21,772,279
<i>Interest & Other Debt Cost</i>	10,931,040	10,739,711	11,419,806	11,419,806	12,432,532
Debt Service Total	33,267,203	32,477,863	33,392,972	33,392,972	34,204,811
School Operations					
<i>Schools - State & Federal</i>	123,684,054	126,183,060	130,623,691	130,623,691	128,263,257
<i>Schools - Local Contribution</i>	71,112,223	71,471,416	73,036,416	73,036,416	73,827,042
School Operations Total	194,796,277	197,654,476	203,660,107	203,660,107	202,090,299



	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget
Transfers out					
<i>Transfers - Capital Projects Fund</i>	15,959,883	18,427,928	14,038,105	14,038,105	15,128,732
<i>Transfers - Other</i>	9,415,247	9,324,378	9,296,293	9,296,293	9,265,561
Transfers out Total	25,375,130	27,752,306	23,334,398	23,334,398	24,394,293
General Fund Total	448,688,243	454,551,161	467,844,000	467,844,000	471,165,931
Non-General Funds					
Capital Improvement Plan (CIP) Fund*					
<i>Educated & Engaged Citizenry Projects</i>			6,459,803	6,459,803	7,466,151
<i>Economic Growth Projects</i>			3,210,500	3,210,500	8,131,721
<i>Good Government Projects</i>			14,719,882	14,719,882	16,764,848
<i>Living with Water Projects</i>			5,088,130	5,088,130	7,712,613
<i>Placemaking Projects</i>			3,515,241	3,515,241	7,140,000
<i>Safe & Clean Community Projects</i>			4,638,681	4,638,681	4,287,089
CIP Fund Total			37,632,237	37,632,237	51,502,422
Enterprise Funds					
<i>Convention Center</i>	10,192,807	10,270,927	10,071,532	10,071,532	10,220,450
<i>Hampton Coliseum/Arts Commission</i>	10,308,395	10,542,803	6,799,163	6,799,163	7,051,554
<i>Hamptons Golf Course</i>	984,097	993,733	1,073,103	1,073,103	949,349
<i>Woodlands Golf Course</i>	639,569	878,318	836,107	836,107	749,411
Enterprise Funds Total	22,124,868	22,685,781	18,779,905	18,779,905	18,970,764
Internal Services Funds					
<i>Fleet Services</i>	8,151,444	7,719,898	7,841,325	7,841,325	6,975,234
<i>Fleet Services - Equip. Replacement</i>	2,441,248	2,586,699	3,072,330	3,072,330	3,033,867
<i>Information Technology</i>	2,279,161	2,628,350	2,788,742	2,788,742	2,971,573
<i>Risk Management</i>	5,063,305	9,401,366	8,597,651	8,597,651	8,246,688
Internal Services Funds Total	17,935,158	22,336,313	22,300,048	22,300,048	21,227,362
Public Works Funds					
<i>Solid Waste Management</i>	11,031,854	11,789,968	15,980,634	15,980,634	16,016,099
<i>Steam Plant</i>	6,912,398	7,201,350	7,957,775	7,957,775	8,088,150
<i>Stormwater Management</i>	7,561,133	8,139,092	11,134,807	11,134,807	10,869,090
<i>Wastewater Management</i>	7,390,320	8,084,403	10,592,589	10,592,589	10,595,065
Public Works Funds Total	32,895,705	35,214,813	45,665,805	45,665,805	45,568,404
Special Revenue Funds					
<i>Economic Development Fund</i>	440,592	369,400	507,500	507,500	665,500
<i>Community Development Block Grant</i>	991,200	855,678	1,289,801	1,289,801	1,265,773
<i>HOME Fund</i>	720,282	872,877	542,800	542,800	530,793
Special Revenue Funds Total	2,152,074	2,097,955	2,340,101	2,340,101	2,462,066

*Due to the multi-year and project based nature of capital investments, showing actual spending levels per fiscal year rolled up in to larger categories would not present a clear picture of spending trends.