

**Projected Operating Budget  
City of Suffolk, Virginia**

|   | Prior Year<br>Budget<br>2012 | Current Year<br>Budget<br>2013 | Proposed<br>Budget<br>2014 | Projection<br>2015 | Projection<br>2016 | Projection<br>2017  | Projection<br>2018  |
|---|------------------------------|--------------------------------|----------------------------|--------------------|--------------------|---------------------|---------------------|
| FY Year Ended June 30,  |                              |                                |                            |                    |                    |                     |                     |
| <b>REVENUES<sup>(1)</sup></b>                                 |                              |                                |                            |                    |                    |                     |                     |
| 1 Local Tax Revenue   | 133,974,378                  | 138,930,000                    | 143,344,757                | 146,211,652        | 149,135,885        | 152,118,603         | 155,160,975         |
| 2 Fees and Charges  | 7,077,434                    | 7,436,087                      | 7,639,506                  | 7,639,506          | 7,639,506          | 7,639,506           | 7,639,506           |
| 3 Intergovernmental (Commonwealth/Federal)                    | 25,905,504                   | 24,960,395                     | 25,865,761                 | 25,865,761         | 25,865,761         | 25,865,761          | 25,865,761          |
| 4 Fund Transfers  | 2,401,778                    | 2,246,878                      | 2,486,351                  | 2,486,351          | 2,486,351          | 2,486,351           | 2,486,351           |
| 5   |                              |                                |                            |                    |                    |                     |                     |
| <b>6 Total Revenues</b>                                       | <b>169,359,094</b>           | <b>173,573,360</b>             | <b>179,336,375</b>         | <b>182,203,270</b> | <b>185,127,503</b> | <b>188,110,221</b>  | <b>191,152,593</b>  |
| 7   |                              | 2.5%                           | 3.3%                       | 1.6%               | 1.6%               | 1.6%                | 1.6%                |
| <b>EXPENDITURES<sup>(2)</sup></b>                             |                              |                                |                            |                    |                    |                     |                     |
| 9 General Government  | 9,427,152                    | 9,801,416                      | 9,949,184                  | 10,247,660         | 10,555,089         | 10,871,742          | 11,197,894          |
| 10 Judicial   | 7,134,123                    | 7,446,876                      | 7,498,196                  | 7,723,142          | 7,954,836          | 8,193,481           | 8,439,286           |
| 11 Public Safety  | 47,203,780                   | 49,242,103                     | 49,805,880                 | 51,300,056         | 52,839,058         | 54,424,230          | 56,056,957          |
| 12 Public Works   | 5,139,502                    | 4,250,735                      | 4,498,214                  | 4,633,160          | 4,772,155          | 4,915,320           | 5,062,779           |
| 13 Health & Welfare   | 14,735,155                   | 14,124,562                     | 14,405,215                 | 14,837,371         | 15,282,493         | 15,740,967          | 16,213,196          |
| 14 Education (Transfer to School Board)                       | 44,163,718                   | 47,163,719                     | 50,175,158                 | 51,680,413         | 53,230,825         | 54,827,750          | 56,472,582          |
| 15 Parks, Recreation & Cultural                               | 7,424,664                    | 7,812,595                      | 8,094,011                  | 8,336,831          | 8,586,936          | 8,844,544           | 9,109,881           |
| 16 Community Development                                      | 4,050,157                    | 3,433,117                      | 3,360,964                  | 3,461,793          | 3,565,647          | 3,672,616           | 3,782,795           |
| 17 Other Public Service                                       | 1,533,579                    | 986,306                        | 971,591                    | 1,000,739          | 1,030,761          | 1,061,684           | 1,093,534           |
| 18 Non-departmental   |                              |                                | 423,000                    | 435,690            | 448,761            | 462,224             | 476,090             |
| 19 Transfers to Debt Service (Existing Debt)                  | 24,035,388                   | 24,559,921                     | 25,379,917                 | 24,379,490         | 24,012,373         | 23,167,560          | 22,660,970          |
| 20 Transfers to Debt Service (New Debt) <sup>(3)</sup>        | 0                            | 0                              | 0                          | 2,819,063          | 5,943,666          | 8,535,701           | 11,133,959          |
| 21 Transfers to Capital Projects (Cash Funded) <sup>(3)</sup> | 3,467,790                    | 3,611,000                      | 3,539,000                  | 3,406,000          | 3,615,000          | 3,855,000           | 3,675,000           |
| 22 Other Transfers  | 1,044,086                    | 1,141,010                      | 1,236,045                  | 1,273,126          | 1,311,320          | 1,350,660           | 1,391,180           |
| 23 Operating Impact - From CIP Projects <sup>(3)</sup>        |                              |                                |                            | 25,000             | 502,146            | 2,552,146           | 2,552,146           |
| 24  |                              |                                |                            |                    |                    |                     |                     |
| <b>25 Total Expenditures</b>                                  | <b>169,359,094</b>           | <b>173,573,360</b>             | <b>179,336,375</b>         | <b>185,559,535</b> | <b>193,651,066</b> | <b>202,475,624</b>  | <b>209,318,249</b>  |
| 26  |                              | 2.5%                           | 3.3%                       | 3.5%               | 4.4%               | 4.6%                | 3.4%                |
| <b>27 Excess (Deficiency) Revenues over Expenditures</b>      | <b>0</b>                     | <b>0</b>                       | <b>0</b>                   | <b>(3,356,265)</b> | <b>(8,523,563)</b> | <b>(14,365,403)</b> | <b>(18,165,656)</b> |
| 28  |                              |                                |                            |                    |                    |                     |                     |
| <b>29 Beginning Fund Balance</b>                              |                              | 36,881,374                     | 36,881,374                 | 36,881,374         | 33,525,109         | 25,001,546          | 10,636,142          |
| <b>30 Ending Fund Balance</b>                                 |                              | 36,881,374                     | 36,881,374                 | 33,525,109         | 25,001,546         | 10,636,142          | (7,529,514)         |
| 31  |                              |                                |                            |                    |                    |                     |                     |
| <b>32 Equivalent Real Estate Tax Impact (€)</b>               |                              | 0.0€                           | 0.0€                       | 3.8€               | 9.4€               | 15.5€               | 19.3€               |
| <b>33 Value of 1€<sup>(4)</sup></b>                           |                              | 890,000                        | 871,000                    | 888,420            | 906,188            | 924,312             | 942,798             |
| 34  |                              |                                |                            |                    |                    |                     |                     |
| <b>35 Bonds Issued</b>  |                              |                                | <b>43,982,000</b>          | <b>22,587,500</b>  | <b>42,338,300</b>  | <b>29,725,000</b>   | <b>16,712,750</b>   |

(1) Local Tax Revenues assumed to grow at 2% per year. All other revenues assumed to grow at 0% per year.

(2) Operating Expenditures (lines 12-20 & 25) assumed to grow at 3% per year.

(3) Proposed capital funding figures (lines 23, 24 & 26) are per FY 2014 Proposed Budget and FY 2014-2023 Adopted CIP with updates, per staff, to FY2015 and FY2016 Operating Expense Impact and FY2014 New Borrowing. New debt assumes one year interest only followed by 19 years level debt service at 5.0% rate.

(4) Value of 1€ assumed to grow at 2% per year.