

Combined all revenues were \$1,566,171 over budget or 1.1% of the F.Y. 14 adopted budget.

### **Expenditures.**

Expenditures were under budget by \$1,419,986. Department heads continue to do an outstanding job monitoring expenses and ended the year in a positive position.

- **Community Service Act Local Match** was under budget by \$486,693. This was the result of fewer children in foster care and fewer foster care children in congregate care. Foster care prevention cases (sometimes known as family preservation) continue to climb, but services for a foster care prevention case is generally less expensive than a foster care case.
- **The Charlottesville Albemarle Joint Security Complex** was \$561,340 under budget due to personnel vacancies and lower than expected operating costs.
- **Departmental Budget Savings.** City departments continue to do a very good job of monitoring their budgets which resulted in expenditures less than budget. Savings resulted from vacancies, efficiencies and staff's constant due diligence with city tax dollars. We will be asking City Council to use some of these savings to fund items listed on the resolution and detailed in the attached memo.

### **Resolution/Carryover Request.**

The resolution recommends that \$2,013,562 be approved and carried over in the Fiscal Year 2015 budget.

Attached is Exhibit I which provides a summary of appropriations requested. There is a balance of \$972,595 after the recommendations, which the City Manager recommends be placed in the Capital Improvement Program Fund for future programming. This is important since the Bond Rating Agencies closely track what the City contributes as pay as you go (CASH) vs. bonds issued in the C.I.P. Exhibit I also contains a summary of revenues and expenses to budget for F.Y. 09 to F.Y. 13.

### **Budgetary Impact.**

Policy Recommendation for Fund Balance Excess

- The remaining \$972,595 is recommended to be transferred to the Capital Improvement Fund contingency for future capital needs.

### **Alignment with Council Vision Areas and Strategic Plan:**

This resolution serves to close-out and summarize the financial results of fiscal year 2014 and as such aligns with Goal 4 of the Strategic Plan to Be a well-managed and successful organization.

### **Recommendation.**

The staff recommends that Council approve the attached resolution.

**Alternatives.**

Amend the Recommendations.

**Attachments.**

1. Memo- End of Year Adjustments/Exhibit I.
2. FY 2014 Year End Appropriation.

**City of Charlottesville.  
MEMO.**



**To:** Members of City Council.  
**From:** Bernard Wray, Finance Director.  
Leslie Beauregard, Director, Budget and Performance  
Management.  
**Date:** December 1, 2014.  
**Subject:** **F.Y. 2014 End of Year Adjustments.**

In order to close the City's financial records for F.Y. 14 and to finalize the City's annual financial report, we would like to request that Council approve the attached resolution to adjust certain accounts. This is a normal procedure that takes place each year.

Provided below is a brief description of the items contained in the various sections of the appropriation:

- Section I - General Fund.
- Section II - Capital Projects Fund.
- Section III - Facilities Repair Fund.
- Section IV - Utility Funds.
- Section V - Grants Funds.
- Section VI - Social Services Fund.
- Section VII – Human Services Fund.
- Section VIII – Risk Management.

Included are names of the department or program, the amount of the adjustment and a brief discussion of the reason(s) for the appropriation.

**I. General Fund.**

(a) Departmental Appropriations – Section 1 (a).

The following appropriations are requests for carryovers of unspent funds and new requests not previously appropriated.

- City Circuit Court - \$40,176.  
These funds will be used to upgrade technology in the Circuit Court Clerk's office. The land records system will be upgraded and planning is underway to add technology which will allow for digital case file access using secure remote access.

- Police – Jefferson Area Drug Taskforce - \$1,154.  
These funds represent a portion of the City's contribution not budgeted in FY15 but should have been, and will be used for operational expenses.
- Education and Training - \$50,000.  
These funds will be used to provide additional funding for city employee education and training in FY15.
- Bank Franchise Refund - \$281,746.  
These funds will be used for an anticipated refund for an overpayment of bank franchise tax discovered during a recent audit.
- Employee Benefits – Contribution to the Retirement Fund - \$700,000.  
These funds will be used to fund the 1% COLA granted retired employees on July 1, 2014 which created an additional liability of \$700,000. This contribution will increase the funded status of the retirement fund.
- State Flex Cuts - \$292,148.  
On November 10, 2014, the General Assembly passed HB 5010 which requires that state aid to local governments be reduced by \$30.0 million statewide in FY 2015. The Department of Planning and Budget (DPB) has provided localities a list of the state's aid-to-local-government programs that serve as the basis for calculating each locality's share of the \$30.0 million savings. The City's share of these reductions is \$292,148 in FY 15 and we will wire the State a check after the final reading is approved.
- Blue Ridge Juvenile Detention Center - \$65,000.  
These funds will be used to support newly projected and increased operational and debt service expenses for F.Y. 15 that were not anticipated when the budget was adopted in April
- Neighborhood Development Services – \$9,562.  
These unspent funds will be used to complete the work of TJPDC Grant for Inspections and Testinggrant.
- Parks and Recreation Facility Rentals - \$1,000.  
These funds were received as deposits for facility rentals in F.Y. 14 and will be carried over and used for deposit refunds

or to cover the cost of any facility damage repairs incurred from the rental. This appropriation and future donations for this purpose will be considered continuing and will not expire unless further altered by Council.

- City Market Donations - \$2,300.  
These funds were received as donations for the City Market and will be carried over and used for expenses relating to the City Markets. This appropriation and future donations for this purpose will be considered continuing and will not expire unless further altered by Council.

(b) Additional Transfers and Appropriations – Section 1 (b).

The following appropriations are requests for transfers from the General Fund to other funds.

- Transfer to Social Services Fund – \$267,984.  
These funds were transferred to the Social Services fund in F.Y. 14 due to the City contribution not being sufficient.
- Transfer to ECC Telephone Upgrade Project - \$24,776.  
These funds will be used to supplement the City's share of funding for the ECC Telephone Upgrade Project based on revised cost projections
- Transfer to Tax Billing System Project - \$49,000.  
These funds will be used to supplement the funding already appropriated for the Tax Billing System and related equipment based on revised cost projections.
- Transfer to Street Paving Projects - \$500,000.  
These funds will be used to supplement the funding already appropriated for the City's annual street paving and milling program.
- Transfer to Capital Projects Fund - \$972,595.  
These funds will be transferred to the C.I.P. Contingency fund.

**II. Capital Projects Fund - \$363,292.**

- The sum of \$49,000 received as a transfer from the General Fund shall be appropriated into the Tax Billing System Project account P-00719.
- The sum of \$24,776 received as a transfer from the General Fund shall be appropriated into the E.C.C. Telephone Upgrade project account P-00762.
- The sum of \$289,516 received as a transfer from the Risk Management Fund as an insurance reimbursement for the replacement of the building (account P-00840) located at 207 1<sup>st</sup> Street, South which was damaged by fire earlier this year.

**III. Facilities Repair Fund - \$245,123.**

- Courthouse Maintenance (P-00099) - \$230,261 - These unspent restricted court fees will be used for future court repair work or records conversion. The amount will be carried over in the Facilities Repair Fund.

**IV. Utility Funds - \$79,300.**

- \$79,300 shall be appropriated into the Gas Fund (2713001000) to be used to pay Federal Pipeline and Hazardous Materials Safety Administration fines.

**V. Grants Fund - \$8,692.**

These funds were received from outside sources and are being appropriated to be spent by the respective grants:

- \$8,692 – these funds will be used for additional qualifying State Fire Grant expenditures.

**VI. Social Services Fund - \$1,539.**

The sum of \$1,539 represents unspent funds received as a donation from Martha Jefferson Hospital to fund the rental of ten Personal Emergency Response Systems (P.E.R.S.) for qualified residents of Public Housing in the Crescent Halls or Westhaven communities. Martha Jefferson Hospital has given permission for these remaining funds to be used to extend the program.

**VII. Human Services Fund - \$15,416.**

The sum of \$15,416 represents unspent BankOn Program funds received from non-city sources and shall be carried over and expended in the Human Services fund to offset expenditures in F.Y. 15.

**VIII. Risk Management Fund - \$289,516.**

The sum of \$289,516 represents the amount received as an insurance reimbursement for the city owned building located at 207 1<sup>st</sup> Street, South that was damaged by fire on December 15, 2013. These funds are hereby transferred and appropriated in the Capital Projects fund to be used to replace the building.

Cc: Craig Brown, City Attorney.  
Aubrey V. Watts, Jr., C.O.O./C.F.O.

**Exhibit 1**

**Fiscal year End 2014**

Revenue over Budget	1,566,171
Expenditures under Budget	<u>1,419,986</u>
Balance under Budget	<b>2,986,157</b>

**RECOMMENDED APPROPRIATIONS**

Circuit Court Computer Upgrade	40,176
JADE - FY15 budget correction	1,154
Education and Training	50,000
Transfer to CIP - E911 Telephone upgrade project	24,776
Bank Franchise Refund	281,746
Retirement Fund Transfer - retiree COLA	700,000
State Flex Cuts	292,148
Transfer to CIP - Treasurer Tax Revenue System	49,000
Blue Ridge Juvenile Detention Center - add'l funds for FY15 operations and debt service	65,000
NDS - TJPDC Grant for Inspections and Testing grant carryover	9,562
Transfer to CIP for Paving	500,000
	(2,013,562)

<b>Surplus Fiscal Year End 2014</b>	<b>\$ 972,595</b>
Transfer to CIP Contingency	<b>\$ (972,595)</b>
Remaining Surplus	0.00

**Summary of Prior Year Results**

	<u>Revenue</u>	<u>Expenses</u>	<u>Balance Under Budget</u>
Year ended June 30, 2013	\$ 691,027	\$ 2,506,046	\$ 3,197,073
Year ended June 30, 2012	891,240	2,903,832	3,795,072
Year ended June 30, 2011	1,155,727	4,038,399	5,194,126
Year ended June 30, 2010	(1,215,660)	4,829,993	3,614,333
Year ended June 30, 2009	254,506	5,049,993	5,304,499



# FY 2014 Year End Appropriation

**BE IT RESOLVED** by the Council of the City of Charlottesville, Virginia, that the actions hereinafter set forth are herein authorized with respect to the accounts of the City listed herein, for the fiscal year ended June 30, 2014. The memo to Council dated December 1, 2014 is hereby made part of this appropriation.

## I. General Fund (105).

(a) Departmental Appropriations.

The following amounts shall be permitted to be carried over and expended in the General Fund's respective cost centers or internal orders in the following fiscal year:

1101001000. Circuit Court.	\$ 40,176.
3101002000. Police – JADE.	\$ 1,154.
2213001000. Education and Training.	\$ 50,000.
1631001000. Bank Franchise Refund Reserve.	\$ 281,746.
1631001000. State Flex Cut Reserve.	\$ 292,148.
9713002000. Blue Ridge Juvenile Detention Center.	\$ 65,000.
1900217. Neighborhood Development Services.	\$ 9,562.
2213001000. Employee Benefits.	\$ 700,000.
1800036. Parks & Recreation Facility Rentals.	\$ 1,000.
1800038. City Market Donations.	\$ 2,300.

Total Section 1 (a). \$1,443,086.

(b) Additional Transfers and Appropriations.

9803030000. Transfer to Social Services.	\$ 267,984.
9803030000. Transfer to E.C.C. Telephone Upgrade Project.	\$ 24,776.
9803030000. Transfer to Tax Billing System Project.	\$ 49,000.
9803030000. Transfer to Street Paving Project.	\$ 500,000.
9803030000. Transfer to Capital Projects Fund.	\$ 972,595.

Total Section 1 (b). \$ 1,814,355.

## II. Capital Projects Fund (426).

- The sum of \$49,000 received as a transfer from the General Fund shall be appropriated into the Tax Billing System Project account P-00719.
- The sum of \$24,776 received as a transfer from the General Fund shall be appropriated into the E.C.C. Telephone Upgrade project account P-00762.
- The sum of \$289,516 received as a transfer from the Risk Management Fund as an insurance reimbursement for the replacement of the building located at 207 1st Street, South which was damaged by fire on December 15, 2013.

## III. Facilities Repair Fund (107).

- The sum of \$245,123 shall be carried over and reserved in the Facilities Repair Fund, for the purpose of funding future court repairs or record conversion (P-00099).

**IV. Utility Funds – Gas (631).**

- \$79,300 shall be appropriated into the Gas Fund (2713001000) to be used to pay Federal Pipeline and Hazardous Materials Safety Administration fines.

**V. Grants Fund (209).**

The sum of \$8,692 shall be appropriated for the following grant programs in fund 209:

190010.	State Fire Grant.	\$8,692.
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**VI. Social Services Fund (212).**

The sum of \$1,539 represents unspent funds received in FY13 as a donation from Martha Jefferson Hospital to fund the rental of ten Personal Emergency Response Systems (P.E.R.S.) for qualified residents of Public Housing in the Crescent Halls or Westhaven communities. These remaining funds are to be used to extend the program for one additional year.

**VII. Human Services Fund (213).**

The sum of \$15,416 represents unspent BankOn program funds received from non-city sources and shall be carried over and expended in the Human Services fund for BankOn program expenses in F.Y. 14.

**VIII. Risk Management Fund (711).**

The sum of \$289,516 represents the amount received as an insurance reimbursement for the city owned property located at 207 1<sup>st</sup> Street, South that was damaged by fire earlier this year. These funds are hereby transferred and appropriated into account P-00840 in the Capital Projects fund to be used to replace the building.

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