

City of Charlottesville
MEMO



To: Members of City Council
From: Bernard Wray, Finance Director
Leslie Beauregard, Director, Budget and Performance
Management
Date: November 16, 2009
Subject: **FY 2009 End of Year Adjustments**

In order to close the City's financial records for FY09 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:

- General Fund – Section I
- Meadowcreek Golf Course – Section II
- Capital Projects Fund – Section III
- Facilities Repair Fund – Section IV
- Water, Wastewater and Gas Utility Funds – Section V
- Information Technology Fund – Section VI
- Community Attention Fund – Section VII
- Grants Funds – Section VIII

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 Attorney's Office – \$25,500
The City's Attorney's office has requested that \$20,000 in unspent funds from FY 2009 be carried over and used for recodification of the City Code. Additionally, \$5,500 will be carried

over to support the cost of a new copier lease and the increased costs of law book updates.

- Economic Development - \$15,000
These unspent funds will be used as working capital for the job fairs coordinated by the Economic Development office.
- Human Resources - \$20,000
These funds will be used to supplement the Tuition Assistance program. Increased tuition costs have increased the funding needs of the program.
- Public Works - \$180,000
These funds will be used to fund several requests including a used bucket truck for Traffic Operations, the purchase of salt for the upcoming winter and funds to reimburse the Public Service division for the over-time work performed and billed to the CIP.
- Pupil Transportation - \$148,300
These funds will be carried forward as a lump sum amount. Pupil Transportation and the Schools will work to set funding priorities for several requests including radio system upgrades and funding for a replacement bus.
- Police - \$7,823
These funds are received from Police Foundation as donations for the purchase of a plotter, tuition to send two attendees to Command College and registration for the School Resource Officer conference. These funds and future donations from the Police Foundation shall not expire unless further altered by Council.
- Citywide Contingency - \$250,000
These funds will be used to fund the Citywide Contingency account which provides a funding source for unanticipated and emergency expenditures that occur during the fiscal year. This is different than the reserve funds that have been set aside, which were reserved to ensure long term stability. The Contingency is strictly for those year to year issues that may come up and need quick resolution.
- Neighborhood Development Services – \$73,200

These funds will be used to fund the two years of wireless broadband fees for the Downtown Mall.

- Historic Resources Task Force – \$20,811
This unspent money will be used to cover the costs of plaques, markers, and ceremonies to promote historic preservation through education, public commemoration, publications, and public meetings. These funds shall not be deemed to expire unless further altered by Council.
- Neighborhood Development Services – VDOT Program Management - \$35,713
These budgeted but unspent funds represent unspent VDOT Urban Allocation grant funds for program management. These funds shall not be deemed to expire unless further altered by Council.
- OAR – Drug Court - \$8,548
These funds will be used to supplement the Drug Court funding due to a State Shortfall for the current year. The City also supplemented OAR in FY09.
- Circuit Court - \$34,045
These budgeted but unspent funds will be used for Social Security number redaction services that were not completed prior to June 30th. The funds for this project were received from the Compensation Board in FY09.
- Sister City Commission - \$19,975
These budgeted but unspent funds will be used to fund the activities of the Sister City Commission. The intent of this funding is to have any unspent funds carryover and accumulate. These funds and future appropriations for this program shall not expire unless further altered by Council.
- Trail/Bike Path Donations - \$3,415
These donations were received by the Parks and Recreation Department to be used for trail and bike paths. These funds and future appropriations for this program shall not expire unless further altered by Council.
- Fire Corps Donations - \$1,000

These donations were received by the Fire Department for the Fire Corps. The Fire Corps is a citizen group that helps departments build more capacity by connecting them to the community volunteers who can assist in a variety of non-emergency roles. The annual Smoke Detector Awareness Program is one such program that the Fire Corps sponsors. These funds and future appropriations for this program shall not expire unless further altered by Council.

- City Council Priority Initiatives - \$50,000
These funds will be held as a funding source for Council to use to fund unanticipated expenditures. Some potential uses may include the 250th year celebration being planned for 2012.
- Commonwealth Attorney – Victim/Witness Grant Program - \$35,000
These budgeted but unspent funds will be a supplement to Victim/Witness Grant. Without these funds, this grant will experience a shortfall in FY10 which has been supplemented in the previous year by vacancy savings.
- Green Cities Initiatives - \$50,000
These funds support the Citizens committee on Environmental sustainability. This funding has been used in the past towards a public education campaign focused on energy efficiency, joining the Streamwatch partnership and sponsoring an environmental conference. These funds and future appropriations for this program shall not expire unless further altered by Council.
- Commission on Children and Family – VJCCCA Grant - \$14,881
These funds will supplement a FY10 State budget cut to the VJCCCA grant and will 100% towards the provision of services. None of this funding will go towards administration. This reflects the full City share of the State cut for this grant.
- Employee Training and Development - \$25,000
These funds will support other costs associated with citywide training activities during the year that were not previously budgeted, including the CLDA costs that are not included in the contract amount.
- The Paramount Theater Outreach and Education Programs - \$32,000

These funds will support the theater's outreach and educational programs.

(c) Additional Transfers and Appropriations

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

- Transfer to CIP Jefferson School Account – \$84,806
These funds represent the amount of interest earned in FY09 on the funds being held for the Jefferson School renovation. The funds will be transferred to the Jefferson School account in the CIP.
- Transfer to Fleet Fund – \$53,997
These funds will be transferred to the Fleet Fund to cover the FY09 year-end operating deficit.
- Transfer to Transit Fund - \$362,520
These funds will be transferred to the Transit Fund to fund a local match that was previously returned to the General Fund (\$162,520) and also to cover the State revenue cut of Urban Road funding (\$200,000) which is not anticipated to be received again until the State revenue picture improves.
- Transfer to Capital Projects Fund - \$416,179
These funds will be transferred to the Capital Projects Fund to reimburse First Cities funding previously allocated to the Downtown CTS Station.
- Employee Compensation and Benefits - \$625,000
These funds will be used to fund a one-time \$750 payment to City Employees who have been employed for at least a year as of November 1, 2009. There are also funds included in this amount to transfer to those other funds that can not cover the bonus payments out of existing funds. Those funds will only be transferred as deemed necessary by the Budget Director and will be automatically deemed appropriated in those funds receiving the transfer.
- Transfer to Capital Projects Fund – Council Capital Project Priority Initiatives - \$1,000,000

These funds will be transferred to the Capital Projects fund and available to spend at the direction of Council for Council Capital Project Priority Initiatives.

II. Meadowcreek Golf Course - \$ 34,477

The sum of \$34,477 received as restricted spending donations is being carried over for the First Tee Program. If possible, the restricted funds will be used for expenses that may be eligible and already contained in the 2010 budget. The 2010 budget will only be increased if expenses in the 2010 budget do not qualify as a restricted funds expense. The Budget Director shall authorize a budget increase only to comply with the use of the restricted funds.

III. Capital Projects Fund - \$124,975

- The IT Hardware account (P-00231) is being used to fund infrastructure replacement and upgrades. The PBX phone system upgrade and the associated maintenance fees (\$40,169) are part of the City's IT infrastructure but were charged to the Phone Fund. These previously budgeted but unspent funds will be transferred from the CIP account (P-00231) to the Phone fund as a reimbursement for the phone system upgrade expenditures.
- The Jefferson School Account (P-00200) funding will be increased by the \$84,806 interest earned and transferred from the General Fund.

IV. Facilities Repair Fund - \$243,584

- Courthouse Maintenance (P-00099) - \$181,769 - 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.
- Wayland House (P-00100) - \$61,815 – These unspent funds will be used for future repair and maintenance costs associated with the Wayland House property.

V. Water, Wastewater and Gas Utilities Funds - \$1,362,527

- Water Fund - \$764,212 – These unspent funds will be used for the Water vehicle replacement program (\$227,805), the Water Conservation Program (\$246,674), to cover the additional costs related to Rivanna

Dredging Study (\$281,000), Toilet Rebate Program (\$3,063) and the Rain Barrel Rebate Program (\$5,670). These funds and future appropriations for these programs shall not expire unless further altered by Council.

- Gas Fund - \$480,255 – These unspent funds will be used for the Gas Vehicle Replacement Program (\$464,310) and to fund the Thermostat Rebate program (\$15,945). These funds and future appropriations for these programs shall not expire unless further altered by Council.
- Gas Fund – Utility Billing - \$88,709 – These unspent funds will be used to supplement the funds available in FY10 for the Gas Assistance Program. These funds and future appropriations for these programs shall not expire unless further altered by Council.
- Wastewater Fund - \$29,351 – These unspent funds will be used for the Wastewater Vehicle Replacement Program. These funds and future appropriations for this program shall not expire unless further altered by Council.

VI. Information Technology Fund - \$25,272

\$25,272 will be transferred to the Phone Fund in order to cover the FY09 year-end deficit.

VII. Community Attention - \$70,200

The funds will be appropriated to pay for the purchase of two vehicles that have been ordered in FY10 (\$55,200) and for purchase finger-printing equipment and setup (\$15,000).

VIII. Grants Fund - \$7,823

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

- \$2,346 – Interest earnings that will be used for additional qualifying State Fire Grant expenditures.
- \$5,434 – Proceeds from disposition of State Homeland Security Program asset and will be used to purchase a replacement asset.
- \$43 – Additional funds received from Thomas Jefferson Planning District for the HOME 07-08 grant that was not previously appropriated.

Cc: Craig Brown, City Attorney
Aubrey V. Watts, Jr., COO/CFO

Exhibit 1

WHERE IS THE BALANCE GOING?

Revenue over Budget	254,506
Expenditures under Budget and Available for Appropriation	<u>5,049,993</u>
	5,304,499

OTHER APPROPRIATIONS

		<u>Departmental Year-End Balances</u>
City Attorney	25,500	21,529
Economic Development	15,000	31,925
Human Resources	20,000	189,169
Public Works - Public Service	180,000	207,565
Pupil Transportation	148,300	148,309
Citywide Reserve	250,000	250,000
Neighborhood Development Services	73,200	183,758
Contribution to OAR - Drug Court	8,548	1,286
Circuit Court	34,045	41,000
City Council Priority Initiatives	50,000	23,695
Commonwealth Attorney	35,000	148,574
Transfer to Commission on Children and Family (VJCCCA Grant)	14,881	-
Employee Training and Development	25,000	-
The Paramount Theater - Outreach and Educations Programs	32,000	-
Police Department	7,823	5,038
Sister City Commission	19,975	19,975
Green Cities Initiatives	50,000	50,000
Trail/Bike Path Donations	3,415	3,415
Fire Corps	1,000	1,000
Historic Task Resources	20,811	20,811
VDOT Program Management	35,713	35,713
	<u>1,050,211</u>	
Transfer to Captial Projects - Jefferson School	84,806	
Transfer to Capital Projects	416,179	
Transfer to Fleet Fund	53,997	
Transfer to Transit	200,000	
Transfer to Transit	162,520	
Employee Compensation and Benefits	625,000	836,137
City Council CIP Priorities	1,000,000	
	<u>2,542,502</u>	
Total Recommendations		<u>(3,592,713)</u>
Balance to CIP per Ordinance		<u>1,711,786</u>

Examples of Departments under Budget

<u>Department</u>	<u>Remaining Budget</u>	<u>Amount Reappropriated</u>
City Sheriff	59,797	-
City Manager	27,253	-
Commissioner of Revenue	76,977	-
Treasurer	15,958	-
Finance - Administration	38,204	-
Public Works - Administration	268,283	-
Public Works - Traffic Engineering	127,079	-
Parks Maintenance	384,915	-