

School Board will then approve its annual financial plan in final form, based on the County's adopted budget, incorporating any changes that may have taken place since the time the advertised plan was approved.

The Capital Improvement Plan process runs concurrently with the process for developing the operating budget. The Plan is developed in close coordination with Chesterfield County, who determines the availability of CIP funds in accordance with the Board of Supervisors' established financial policies. The State Code of Virginia and the County charter require the development of a five year plan. For FY2015 and the successive years, the School Board elected to develop a nine-year plan to include a revitalization plan for a number of schools. The plan also includes major maintenance to extend the useful life and maintain the security of our facilities, as well as a blended learning initiative and technology replacement plan. The plan is updated annually and aligned with the County's adopted Comprehensive Plan and Public Facilities Plan. The Capital Improvement Plan receives public scrutiny and input similar to the operating budget process and is approved on a similar schedule.

The budget process is finalized each year with Board of Supervisors approving a budget by state appropriation category for the school division and adopting an appropriations resolution under which the School Board operates for a given year. The FY2015 Appropriations resolution (sections pertaining to schools only) is shown below.

Chesterfield County FY2015 Appropriations Resolution

Source: Chesterfield County Annual Financial Plan FY2015

A RESOLUTION TO APPROPRIATE DESIGNATED FUNDS AND ACCOUNTS FROM DESIGNATED ESTIMATED REVENUES FOR FY2015 FOR THE OPERATING BUDGETS AND THE CAPITAL IMPROVEMENT PROGRAM FOR THE COUNTY OF CHESTERFIELD, VIRGINIA

BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Chesterfield:

That for the fiscal year beginning on the first day of July 2014 and ending on the thirtieth day of June 2015, the following sections shall be adopted:

Sec. 1 The following designated funds and accounts shall be appropriated from the designated estimated revenues to operate and provide a capital improvement program for the county. It is the intent of the Board of Supervisors that general property taxes levied on January 1, 2014, and due December 5, 2014, be appropriated for FY2015.

General Fund

FY2015 Adopted

Estimated Revenue:

Local Sources

<i>General Property Taxes</i>	<i>\$379,843,600</i>
<i>Other Local Taxes</i>	<i>110,214,100</i>
<i>Licenses, Permits, & Fees</i>	<i>5,780,600</i>
<i>Fines, Forfeitures & Uses of Money & Property</i>	<i>3,085,400</i>
<i>Service Charges</i>	<i>32,497,700</i>
<i>Miscellaneous and Recovered Costs</i>	<i>13,089,700</i>

Other Agencies

<i>State and Federal</i>	<i>141,873,600</i>
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Other Financing Sources

<i>Use of Restricted, Committed, or Assigned Fund Balance</i>	<i>22,979,100</i>
<i>Transfer from County Grants Fund</i>	<i>1,297,100</i>
<i>Transfer from Mental Health, Support Services</i>	<i>492,600</i>
<i>Transfer from Fleet Management</i>	<i>13,200</i>
<i>Transfer from Water Operating Fund</i>	<i>593,100</i>
<i>Transfer from Wastewater Operating Fund</i>	<i>2,300</i>
<i>Unassigned Fund Balance 7/1/2014</i>	<i>55,000,000</i>

Total Revenues*

\$766,762,100

Appropriations:

General Government

\$48,409,400

Administration of Justice

8,767,900

Public Safety	165,136,400
Public Works	17,137,500
Health & Welfare	67,014,300
Parks, Recreation, Cultural	18,398,000
Community Development	16,898,100
Debt Service	22,872,500
Operating Transfers	341,523,700
Assignments	3,356,300
Unassigned Fund Balance, 6/30/2015	57,248,000
Total General Fund*	\$766,762,100

*Plus encumbrances carried forward in all funds in an amount not to exceed \$15 million, which will be reappropriated into the fiscal year beginning July 1, 2014. (See "Section 5")

Comprehensive Services Fund

FY2015 Adopted

Estimated Revenue:

Reimbursement, Colonial Heights	\$334,600
State Aid, Comprehensive Services	3,885,500
Transfer from Social Services	445,200
Transfer from Schools	1,221,100
Transfer from General Fund	1,254,600
Use of Unrestricted Net Assets	270,000
Total Revenues and Funding Sources	\$7,411,000

Appropriations:

Operating Expenses	\$7,411,000
Total Appropriations	\$7,411,000

School Operating Fund

FY2015 Adopted

Estimated Revenue:

Local Sources	\$24,270,600
State	240,757,600
Federal	31,805,200
Transfer from School Operating	647,600
Transfer from School Food Service	1,000,000
Use of Reserve	1,250,000
Transfer from General Fund:	
State Sales Tax	58,248,300
Local Taxes	240,831,300
Prior Year Revenue	5,883,700
General Fund Transfer for School Bus Purchases	2,000,000
Grounds Maintenance	1,831,100
Total General Fund	308,794,400
Use of Assigned Fund Balance	1,000,000
Total Revenues and Funding Sources	\$609,525,400

Appropriations:

Instruction	\$412,113,900
Administration, Attendance & Health	21,301,800
Pupil Transportation	32,616,000
Operations & Maintenance	56,376,300
Technology	12,795,500
Debt Service	42,860,100

Food Service	25,074,100
Grounds Maintenance	1,831,100
Transfer to and/or Assignment for School Capital Projects	4,556,600
Total Appropriations	\$609,525,400

Schools - Appomattox Regional Governor's School Fund**FY2015 Adopted***Estimated Revenue:*

Local Sources	\$2,573,100
State	1,119,400
Total Revenues and Funding Sources	\$3,692,500

Appropriations

Education	\$3,692,500
Total Appropriations	\$3,692,500

County Grants Fund**FY2015 Adopted***Estimated Revenue:*

Other Governments	\$11,684,100
Transfer from General Fund	1,238,300
Use of Restricted, Committed, or Assigned Fund Balance	18,900
Total Revenues and Funding Sources	\$12,941,300

Appropriations:

Adult Drug Court	\$650,500
Clerk of the Circuit Court	
Technology Trust Fund	270,300
Community Corrections Services	
Domestic Violence Victim Advocate (V-STOP)	60,900
Community Development Block Grant*	1,613,400
Community Services Board Part C	1,523,300
Domestic Violence Prosecutor	106,100
Families First	535,900
Fire & EMS Revenue Recovery	6,409,300
Juvenile Drug Court Grant	314,400
USDA Juvenile Detention Grant	75,000
Victim/Witness Assistance	493,300
Virginia Juvenile Community Crime Act (VJCCCA)	888,900
Total Appropriations	\$12,941,300

*An additional \$100,000 of reprogrammed funds was already appropriated in the grants fund prior to FY2015.

County CIP Fund**FY2015 Adopted***Estimated Revenue:*

Transfer from General Fund	\$21,619,100
General Obligation Bonds	13,878,600
Developer Contributions	3,944,200
Transfer from Cash Proffers	944,200
State Funds	8,000,000
Total Revenues and Transfers	\$48,386,100

Appropriations:

County Capital Projects	\$44,441,900
Transfer to Capital Projects from Cash Proffers	944,200
Transfer to School Capital Projects from Cash Proffers	3,000,000
Total County CIP Funds*	\$48,386,100

*An additional \$7,120,400 in county project savings was already appropriated in the capital project fund prior to FY2015 that will be reallocated for new projects.

<u>Schools CIP Fund</u>	<u>FY2015 Adopted</u>
<i>Estimated Revenue:</i>	
Bond Proceeds	\$40,100,000
Lease Financing	1,700,000
Transfer from Cash Proffer Fund	3,000,000
Transfer from School Grant Fund (State Technology Funds)	1,800,000
Transfer from School Food Service	901,000
Transfer from School Reserve for Future Capital Projects	1,855,600
Total Revenue and Transfers	\$49,356,600
<i>Appropriations:</i>	
School Capital Projects	\$49,356,600
Total Appropriations*	\$49,356,600

*An additional \$2,876,400 in school project savings was already appropriated in the school capital project prior to FY2015 fund that will be reallocated for new projects.

<u>Fleet Management and Radio Shop</u>	<u>FY2015 Adopted</u>
<i>Estimated Revenue:</i>	
Fleet Management Charges	\$19,111,600
Radio Shop Charges	2,092,100
Total Revenue and Funding Sources	\$21,203,700
<i>Appropriations:</i>	
Fleet Management Operations	\$18,702,200
Radio Shop Operations	2,092,100
Addition to Unrestricted Net Assets	409,400
Total Appropriations	\$21,203,700

<u>Capital Projects Management Fund</u>	<u>FY2015 Adopted</u>
<i>Estimated Revenue:</i>	
Reimbursement for Services	\$748,400
Total Revenue	\$748,400
<i>Appropriations:</i>	
Construction Management Operations	\$748,400
Total Appropriations	\$748,400

<u>Risk Management Fund</u>	
<i>Estimated Revenue:</i>	
Operating Revenues	\$7,865,800
Use of Unrestricted Net Assets	11,080,800
Total Revenue	\$18,946,600
<i>Appropriations:</i>	
Risk Management Operations	\$7,967,400
Use of Unrestricted Net Assets	10,979,200
Total Appropriations	\$18,946,600

<u>Healthcare Fund</u>	<u>FY2015 Adopted</u>
<i>Estimated Revenue:</i>	
Employee Contributions	\$75,120,200
Employer Contributions	31,610,100
Total Revenue	\$106,730,300

Appropriations:

<i>Operating Expenditures</i>	\$106,730,300
<i>Total Appropriations</i>	\$106,730,300

Airport Fund***FY2015 Adopted****Estimated Revenue:*

<i>Operating Revenue</i>	\$746,400
<i>State Grant</i>	200,000
<i>Transfer from Airport Fund</i>	250,000
<i>Total Revenue</i>	\$1,196,400

Appropriations:

<i>Airport Operations</i>	\$946,400
<i>Airport Capital Improvements</i>	250,000
<i>Total Appropriations</i>	\$1,196,400

Utilities Funds***FY2015 Adopted****Estimated Revenue:*

<i>Service Charges</i>	\$78,754,000
<i>Capital Cost Recovery Charges</i>	13,187,000
<i>Hydrant/Fire Protection</i>	589,600
<i>Other Revenue</i>	4,043,700
<i>Use of Unrestricted Net Assets</i>	38,701,700
<i>Total Revenue</i>	\$135,276,000

Appropriations:

<i>Operations</i>	\$57,237,600
<i>Debt Service</i>	6,998,800
<i>Transfer to Capital Projects Fund</i>	70,450,000
<i>Payment in Lieu of Taxes</i>	589,600
<i>Total Appropriations</i>	\$135,276,000

Utilities Capital Project Funds***FY2015 Adopted****Estimated Revenue:*

<i>Transfer from Nonexpansion/Expansion Funds</i>	\$70,450,000
<i>Total Revenue</i>	\$70,450,000

Appropriations:

<i>Capital Projects</i>	\$70,450,000
<i>Total Appropriations</i>	\$70,450,000

Sec. 2 *Appropriations in addition to those contained in the general appropriation resolution may be made by the Board only if there is available in the fund an unencumbered and unappropriated sum sufficient to meet such appropriations.*

Sec. 3 *The County Administrator may, as provided herein, except as set forth in Sections 7, 12, 13, 14, 15, 16, 18 and 23 authorize the transfer of any unencumbered balance or portion thereof from one classification of expenditure to another within the same department or appropriation category. Unless otherwise provided below, the County Administrator may transfer up to \$50,000 from the unencumbered appropriated balance and prior year end carry forward assignments from one appropriation category (including assigned fund balance) to another appropriation category. No more than one transfer may be made for the same item causing the need for a transfer, unless the total amount to be transferred for the item does not exceed \$50,000.*

Sec. 4 *The County Administrator may increase appropriations for non-budgeted revenue that may occur during the fiscal year as follows:*

- a) Insurance recoveries received for damage to any county property, including vehicles, for which County funds have been expended to make repairs.
- b) Refunds or reimbursements made to the county for which the county has expended funds directly related to that refund or reimbursement.
- c) Revenue not to exceed \$50,000.

Sec. 5 All outstanding encumbrances, both operating and capital, in all county funds up to \$15 million, at June 30, 2014 shall be an amendment to the adopted budget and shall be reappropriated to the 2015 fiscal year to the same department and account for which they were assigned in the previous year subject, if applicable, to any public hearing requirements. At the close of the fiscal year, all unassigned appropriations lapse for budget items other than: capital projects; general fund transfers for capital projects and grants; construction assignments for capital projects; assignments for county and school future capital projects; other use of restricted, committed, or assigned fund balances; District Improvement Funds; donations restricted to specific purposes; federal and state grants, PPTRA revenues; other revenue and program income; revenue recovery funds; Title IV-E funds; cash proffers; all tax revenues received for special assessment districts and interest earnings thereon; Fire and Emergency Medical Services apparatus funding; Economic Development incentive funds; actual transient occupancy tax revenues received and budgeted expenditures in connection with the Richmond Convention Center; and refunds for off-site and oversized water and wastewater facilities. Any funds budgeted in a given fiscal year that are specifically budgeted to add to an assignment of fund balance shall be automatically authorized to be assigned during the year end audit process. All excess revenues and any unspent appropriations in the telecommunications program is authorized to become an automatic assignment for future telephone system upgrades. All revenues from the increased vehicle registration fee received in excess of those budgeted for the state revenue sharing program shall automatically be authorized as an assignment of fund balance at year end.

Sec. 6 Appropriations designated for capital projects will not lapse at the end of the fiscal year. The County Administrator may approve transfers between funds to enable the capital projects to be accounted for correctly. Upon completion of a capital project, staff is authorized to close out the project and transfer any remaining balances to the original funding source. The County Administrator may approve construction contract change orders up to an increase of \$49,999 and approve all change orders for reductions to contracts. The Board of Supervisors must approve all change orders of \$50,000 or more or when the aggregate of all changes to a contract exceeds 10% of the original contract amount or 20% if the original contract is for less than \$500,000.

Sec. 7 The County Administrator is authorized to approve transfers among Utilities funds and capital projects as long as funding sources are consistent and total net appropriation is not increased. Should the actual contract price for a project be less than the appropriation, the County Administrator may approve the transfer of excess funds back to the original funding source upon completion of the project.

Sec. 8 Upon completion of a grant program, the County Administrator is authorized to close the grant and transfer balances back to the funding source. The County Administrator is authorized to reprogram Community Development Block Grant funds by closing program cost centers and transferring funding to newly approved programs based on adoption by the Board of Supervisors.

Sec. 9 The County Administrator may reduce revenue and expenditure appropriations related to programs, functions, capital projects, grants, or departments to the level approved.

Sec. 10 The Director of Accounting is authorized to make transfers to various funds for which there are transfers budgeted. The Director shall transfer funds only as needed up to amounts budgeted, or in accordance with any existing bond resolutions that specify the manner in which transfers are to be made.

Sec. 11 The Treasurer may advance monies to and from the various funds of the county to allow maximum cash flow efficiency. The advances must not violate county bond covenants or other legal restrictions that would prohibit such an advance. The Treasurer may also advance cash in support of employee benefit accounts.

Sec. 12 The County Administrator is authorized to make expenditures from Trust & Agency Funds for the specified reasons for which the funds were established. In no case shall the expenditure exceed the available balance in the fund.

Sec. 13 The County Administrator is authorized to transfer among appropriation categories and/or appropriate funds and assignments of fund balance in excess of \$50,000 for supplemental retirement, Workers' Compensation, healthcare for retirees and other compensation-related costs, as well as for transfers to departments to cover energy/fuel costs.

Sec. 14 The County Administrator may appropriate revenues and increase expenditures in excess of \$50,000 for funds received by the county from asset forfeitures for expenditures related to drug enforcement or other allowable expenditures. The balance of these funds shall not lapse but be carried forward into the next fiscal year.

Sec. 15 The County Administrator may increase the general fund appropriation in the School Operating Fund contingent upon availability of funds and other circumstances, based on the following schedule:

- a) Increase general fund transfer/appropriation on December 15 by \$3,000,000.
- b) Increase general fund transfer/appropriation on February 15 by \$3,000,000.
- c) Increase general fund transfer/appropriation on May 5 by \$3,000,000.

Sec. 16 The County Administrator is authorized to reallocate funding sources for capital projects, arbitrage rebates/penalties, and debt service payments and to appropriate bond interest earnings to minimize arbitrage rebates/penalties, including the appropriation of transfers among funds to accomplish such reallocations. Budgets for specific capital projects will not be increased beyond the level authorized by Sections 3 and 4. The County Administrator is authorized to transfer cash proffers among capital projects to ensure spending in a timely manner as long as the capital improvement program net appropriation is not increased.

Sec. 17 Salaries for Planning Commissioners will be increased equivalent to the merit increase county employees are eligible for. The effective date for pay increases, including the Planning Commission and the Board of Supervisors, may cross fiscal years.

Sec. 18 The County Administrator is authorized to approve transfers among funds and capital projects as long as total net appropriation is not increased.

Sec. 19 The Utilities Department rate stabilization assignment shall be maintained as per guidelines outlined below:

- a) The minimum annual contribution to the assignment will be 50% of the previous year's depreciation on fixed assets.
- b) The annual contribution to the assignment will continue until 100% of accumulated depreciation on the fixed assets is funded. If at the beginning of a fiscal year a reserve balance exceeds 100% of accumulated depreciation, a reduction in the annual contribution may be considered.
- c) Funds cannot be used from the rate stabilization assignment if the balance falls below 25% of that utility's fixed asset accumulated depreciation, other than for Utility internal borrowing purposes.
- d) The declaration of a financial emergency by the Director of Utilities and a corresponding four-fifths vote by the Board of Supervisors at a publicly advertised meeting declaring the existence of such an emergency is required to suspend Sec. 19a, Sec. 19b, and Sec. 19c.

Sec. 20 Upon adoption of this resolution, the School Board and/or the School Superintendent may make expenditure and revenue changes within the school operating funds as follows:

- a) Transfers of \$50,000 or less are subject to the approval of the Superintendent.
- b) Transfers of \$50,001 to \$499,999 require the approval of the Superintendent and the School Board.
- c) Transfers of \$500,000 or more require the approval of the Superintendent, the School Board, and the Board of Supervisors.

The School Board and/or the School Superintendent shall prepare a budget status report reflecting changes to the approved school budget between appropriation categories, as amended, and the report shall be presented to the County Administrator quarterly.

Sec. 21 *In accordance with the requirements set forth in Section 58.1-3524(C)(2) and Section 58.1-3912(E) of the Code of Virginia, as amended by Chapter 1 of the Acts of Assembly (2004 Special Session 1) and as set forth in Item 503.E (Personal Property Tax Relief Program) of Chapter 951 of the 2005 Acts of Assembly, any qualifying vehicle situated within the County commencing January 1, 2006, shall receive personal property tax relief in the following manner:*

- a) Personal use vehicles valued at \$1,000 or less will be eligible for 100% tax relief;*
- b) Personal use vehicles valued at \$1,001 to \$20,000 will be eligible for 60% tax relief;*
- c) Personal use vehicles valued at \$20,001 or more shall receive 60% tax relief on the first \$20,000 of value;*
- d) All other vehicles which do not meet the definition of "qualifying" (business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for any form of tax relief under this program. Pursuant to authority conferred in Item 503.D of the 2005 State Appropriations Act, the County Treasurer shall issue a supplemental personal property tax bill in the amount of 100 percent of tax due without regard to any former entitlement to state PPTRA relief, plus applicable penalties and interest, to any taxpayer whose taxes with respect to a qualifying vehicle for tax year 2005 or any prior tax year remain unpaid on September 1, 2006, or such date as state funds for reimbursement of the state share of such bill have become unavailable, whichever occurs first.*
- e) Penalty and interest with respect to bills issued pursuant to this section shall be computed on the entire amount of tax owed. Interest shall be computed at the rate provided in Section 9-51 of the county code from the original due date of the tax.*

Sec. 22 *The County Administrator is authorized to reduce a department's current year budget appropriation by a dollar amount equal to the prior year's overspending inclusive of encumbrances carried forward.*

Sec. 23 *Within the healthcare fund the County Administrator is authorized to appropriate use of reserves, interest earnings, and additional employee or employer contributions in excess of \$50,000 in order to pay claims, settlements, and any costs associated with healthcare.*

Amending the Adopted Budget

The State Code of Virginia permits appropriation either by lump sum or by category. The governing body approves the Chesterfield County School Board's budget in the appropriation categories prescribed by the State Board of Education in accordance with the State Code of Virginia; i.e., (i) instruction, (ii) administration, attendance and health, (iii) pupil transportation, (iv) operations and maintenance, (v) school food services and other non-instructional operations, (vi) facilities, (vii) debt and funds transfers, (viii) technology, and (ix) contingency reserves. The School Board, however, has been granted the authority by the Board of Supervisors to make expenditures and incur obligations for specific purposes beyond the funding level of an appropriation category as delineated in Chesterfield County's FY2015 Appropriations Resolution above.

In addition, School Board Policy 7120 states:

BUDGET - FUNDS TRANSFERS

The adoption of the budget by the School Board includes the authority for the administration to make expenditures as appropriated by the Appropriation Resolution approved by the Board of Supervisors. Such appropriation may relate to its total only or to such major classifications prescribed by the State Board of Education pursuant to Va. Code § 22.1-115.

Transfers between major object groups within a department/school or from one department/school to another in the same major classification shall require the approval of the Superintendent or the Superintendent's designee.

In the event that the Board of Supervisors appropriates by major classifications and grants authority to the Superintendent and/or the School Board to transfer a portion of the funds from one major classification to another without the further approval of the Board of Supervisors, such transfer, or successive transfers, may be accomplished as authorized and limited by the Appropriation Resolution. In no event shall a major classification transfer exceeding \$50,000 occur without the prior approval of the School Board. Major classification transfers approved by the Superintendent shall be reported to the School Board at its next occurring regular meeting. Proposed transfers in excess of the dollar limitations established in the Appropriation Resolution shall be submitted to the Board of Supervisors for prior approval.

A budget status report reflecting changes to the adopted budget, as amended, shall be presented to the School Board and the Board of Supervisors as necessary, but no less often than semi-annually. Changes to major classifications, if any, shall be included in this report.

Adopted: December 8, 2009

The Capital Improvement Plan process runs concurrently with the process for developing the operating budget. The Plan is developed in close coordination with Chesterfield County, who determines the availability of CIP funds in accordance with the Board of Supervisors' established financial policies. The State Code of Virginia and the County charter require the development of a five year plan. For FY2015 and the successive years, the School Board elected to develop a nine-year plan to include a revitalization plan for a number of schools. The plan also includes major maintenance to extend the useful life and maintain the security of our facilities, as well as a blended learning initiative and technology replacement plan. The plan is updated annually and aligned with the County's adopted Comprehensive Plan and Public Facilities Plan. The Capital Improvement Plan receives public scrutiny and input similar to the operating budget process and is approved on a similar schedule.

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BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Chesterfield:

That for the fiscal year beginning on the first day of July 2014 and ending on the thirtieth day of June 2015, the following sections shall be adopted:

Sec. 1 The following designated funds and accounts shall be appropriated from the designated estimated revenues to operate and provide a capital improvement program for the county. It is the intent of the Board of Supervisors that general property taxes levied on January 1, 2014, and due December 5, 2014, be appropriated for FY2015.

General Fund

FY2015 Adopted

Estimated Revenue:

Local Sources

General Property Taxes	\$379,843,600
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Unassigned Fund Balance 7/1/2014	55,000,000

Total Revenues* **\$766,762,100**

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Transfer to School Capital Projects from Cash Proffers	3,000,000
Total County CIP Funds*	\$48,386,100

*An additional \$7,120,400 in county project savings was already appropriated in the capital project fund prior to FY2015 that will be reallocated for new projects.

Schools CIP Fund**FY2015 Adopted***Estimated Revenue:*

<i>Bond Proceeds</i>	\$40,100,000
<i>Lease Financing</i>	1,700,000
<i>Transfer from Cash Proffer Fund</i>	3,000,000
<i>Transfer from School Grant Fund (State Technology Funds)</i>	1,800,000
<i>Transfer from School Food Service</i>	901,000
<i>Transfer from School Reserve for Future Capital Projects</i>	1,855,600
Total Revenue and Transfers	\$49,356,600

Appropriations:

<i>School Capital Projects</i>	\$49,356,600
Total Appropriations*	\$49,356,600

*An additional \$2,876,400 in school project savings was already appropriated in the school capital project prior to FY2015 fund that will be reallocated for new projects.

Fleet Management and Radio Shop**FY2015 Adopted***Estimated Revenue:*

<i>Fleet Management Charges</i>	\$19,111,600
<i>Radio Shop Charges</i>	2,092,100
Total Revenue and Funding Sources	\$21,203,700

Appropriations:

<i>Fleet Management Operations</i>	\$18,702,200
<i>Radio Shop Operations</i>	2,092,100
<i>Addition to Unrestricted Net Assets</i>	409,400
Total Appropriations	\$21,203,700

Capital Projects Management Fund**FY2015 Adopted***Estimated Revenue:*

<i>Reimbursement for Services</i>	\$748,400
Total Revenue	\$748,400

Appropriations:

<i>Construction Management Operations</i>	\$748,400
Total Appropriations	\$748,400

Risk Management Fund*Estimated Revenue:*

<i>Operating Revenues</i>	\$7,865,800
<i>Use of Unrestricted Net Assets</i>	11,080,800
Total Revenue	\$18,946,600

Appropriations:

<i>Risk Management Operations</i>	\$7,967,400
<i>Use of Unrestricted Net Assets</i>	10,979,200
Total Appropriations	\$18,946,600

Healthcare Fund**FY2015 Adopted***Estimated Revenue:*

<i>Employee Contributions</i>	\$75,120,200
<i>Employer Contributions</i>	31,610,100
Total Revenue	\$106,730,300

Appropriations:

Operating Expenditures	\$106,730,300
Total Appropriations	\$106,730,300

Airport Fund **FY2015 Adopted**

Estimated Revenue:

Operating Revenue	\$746,400
State Grant	200,000
Transfer from Airport Fund	250,000
Total Revenue	\$1,196,400

Appropriations:

Airport Operations	\$946,400
Airport Capital Improvements	250,000
Total Appropriations	\$1,196,400

Utilities Funds **FY2015 Adopted**

Estimated Revenue:

Service Charges	\$78,754,000
Capital Cost Recovery Charges	13,187,000
Hydrant/Fire Protection	589,600
Other Revenue	4,043,700
Use of Unrestricted Net Assets	38,701,700
Total Revenue	\$135,276,000

Appropriations:

Operations	\$57,237,600
Debt Service	6,998,800
Transfer to Capital Projects Fund	70,450,000
Payment in Lieu of Taxes	589,600
Total Appropriations	\$135,276,000

Utilities Capital Project Funds **FY2015 Adopted**

Estimated Revenue:

Transfer from Nonexpansion/Expansion Funds	\$70,450,000
Total Revenue	\$70,450,000

Appropriations:

Capital Projects	\$70,450,000
Total Appropriations	\$70,450,000

Sec. 2 Appropriations in addition to those contained in the general appropriation resolution may be made by the Board only if there is available in the fund an unencumbered and unappropriated sum sufficient to meet such appropriations.

Sec. 3 The County Administrator may, as provided herein, except as set forth in Sections 7, 12, 13, 14, 15, 16, 18 and 23 authorize the transfer of any unencumbered balance or portion thereof from one classification of expenditure to another within the same department or appropriation category. Unless otherwise provided below, the County Administrator may transfer up to \$50,000 from the unencumbered appropriated balance and prior year end carry forward assignments from one appropriation category (including assigned fund balance) to another appropriation category. No more than one transfer may be made for the same item causing the need for a transfer, unless the total amount to be transferred for the item does not exceed \$50,000.

Sec. 4 The County Administrator may increase appropriations for non-budgeted revenue that may occur during the fiscal year as follows:

- a) Insurance recoveries received for damage to any county property, including vehicles, for which County funds have been expended to make repairs.
- b) Refunds or reimbursements made to the county for which the county has expended funds directly related to that refund or reimbursement.
- c) Revenue not to exceed \$50,000.

Sec. 5 All outstanding encumbrances, both operating and capital, in all county funds up to \$15 million, at June 30, 2014 shall be an amendment to the adopted budget and shall be reappropriated to the 2015 fiscal year to the same department and account for which they were assigned in the previous year subject, if applicable, to any public hearing requirements. At the close of the fiscal year, all unassigned appropriations lapse for budget items other than: capital projects; general fund transfers for capital projects and grants; construction assignments for capital projects; assignments for county and school future capital projects; other use of restricted, committed, or assigned fund balances; District Improvement Funds; donations restricted to specific purposes; federal and state grants, PPTRA revenues; other revenue and program income; revenue recovery funds; Title IV-E funds; cash proffers; all tax revenues received for special assessment districts and interest earnings thereon; Fire and Emergency Medical Services apparatus funding; Economic Development incentive funds; actual transient occupancy tax revenues received and budgeted expenditures in connection with the Richmond Convention Center; and refunds for off-site and oversized water and wastewater facilities. Any funds budgeted in a given fiscal year that are specifically budgeted to add to an assignment of fund balance shall be automatically authorized to be assigned during the year end audit process. All excess revenues and any unspent appropriations in the telecommunications program is authorized to become an automatic assignment for future telephone system upgrades. All revenues from the increased vehicle registration fee received in excess of those budgeted for the state revenue sharing program shall automatically be authorized as an assignment of fund balance at year end.

Sec. 6 Appropriations designated for capital projects will not lapse at the end of the fiscal year. The County Administrator may approve transfers between funds to enable the capital projects to be accounted for correctly. Upon completion of a capital project, staff is authorized to close out the project and transfer any remaining balances to the original funding source. The County Administrator may approve construction contract change orders up to an increase of \$49,999 and approve all change orders for reductions to contracts. The Board of Supervisors must approve all change orders of \$50,000 or more or when the aggregate of all changes to a contract exceeds 10% of the original contract amount or 20% if the original contract is for less than \$500,000.

Sec. 7 The County Administrator is authorized to approve transfers among Utilities funds and capital projects as long as funding sources are consistent and total net appropriation is not increased. Should the actual contract price for a project be less than the appropriation, the County Administrator may approve the transfer of excess funds back to the original funding source upon completion of the project.

Sec. 8 Upon completion of a grant program, the County Administrator is authorized to close the grant and transfer balances back to the funding source. The County Administrator is authorized to reprogram Community Development Block Grant funds by closing program cost centers and transferring funding to newly approved programs based on adoption by the Board of Supervisors.

Sec. 9 The County Administrator may reduce revenue and expenditure appropriations related to programs, functions, capital projects, grants, or departments to the level approved.

Sec. 10 The Director of Accounting is authorized to make transfers to various funds for which there are transfers budgeted. The Director shall transfer funds only as needed up to amounts budgeted, or in accordance with any existing bond resolutions that specify the manner in which transfers are to be made.

Sec. 11 The Treasurer may advance monies to and from the various funds of the county to allow maximum cash flow efficiency. The advances must not violate county bond covenants or other legal restrictions that would prohibit such an advance. The Treasurer may also advance cash in support of employee benefit accounts.

Sec. 12 The County Administrator is authorized to make expenditures from Trust & Agency Funds for the specified reasons for which the funds were established. In no case shall the expenditure exceed the available balance in the fund.

Sec. 13 The County Administrator is authorized to transfer among appropriation categories and/or appropriate funds and assignments of fund balance in excess of \$50,000 for supplemental retirement, Workers' Compensation, healthcare for retirees and other compensation-related costs, as well as for transfers to departments to cover energy/fuel costs.

Sec. 14 The County Administrator may appropriate revenues and increase expenditures in excess of \$50,000 for funds received by the county from asset forfeitures for expenditures related to drug enforcement or other allowable expenditures. The balance of these funds shall not lapse but be carried forward into the next fiscal year.

Sec. 15 The County Administrator may increase the general fund appropriation in the School Operating Fund contingent upon availability of funds and other circumstances, based on the following schedule:

- a) Increase general fund transfer/appropriation on December 15 by \$3,000,000.
- b) Increase general fund transfer/appropriation on February 15 by \$3,000,000.
- c) Increase general fund transfer/appropriation on May 5 by \$3,000,000.

Sec. 16 The County Administrator is authorized to reallocate funding sources for capital projects, arbitrage rebates/penalties, and debt service payments and to appropriate bond interest earnings to minimize arbitrage rebates/penalties, including the appropriation of transfers among funds to accomplish such reallocations. Budgets for specific capital projects will not be increased beyond the level authorized by Sections 3 and 4. The County Administrator is authorized to transfer cash proffers among capital projects to ensure spending in a timely manner as long as the capital improvement program net appropriation is not increased.

Sec. 17 Salaries for Planning Commissioners will be increased equivalent to the merit increase county employees are eligible for. The effective date for pay increases, including the Planning Commission and the Board of Supervisors, may cross fiscal years.

Sec. 18 The County Administrator is authorized to approve transfers among funds and capital projects as long as total net appropriation is not increased.

Sec. 19 The Utilities Department rate stabilization assignment shall be maintained as per guidelines outlined below:

- a) The minimum annual contribution to the assignment will be 50% of the previous year's depreciation on fixed assets.
- b) The annual contribution to the assignment will continue until 100% of accumulated depreciation on the fixed assets is funded. If at the beginning of a fiscal year a reserve balance exceeds 100% of accumulated depreciation, a reduction in the annual contribution may be considered.
- c) Funds cannot be used from the rate stabilization assignment if the balance falls below 25% of that utility's fixed asset accumulated depreciation, other than for Utility internal borrowing purposes.
- d) The declaration of a financial emergency by the Director of Utilities and a corresponding four-fifths vote by the Board of Supervisors at a publicly advertised meeting declaring the existence of such an emergency is required to suspend Sec. 19a, Sec. 19b, and Sec. 19c.

Sec. 20 Upon adoption of this resolution, the School Board and/or the School Superintendent may make expenditure and revenue changes within the school operating funds as follows:

- a) Transfers of \$50,000 or less are subject to the approval of the Superintendent.
- b) Transfers of \$50,001 to \$499,999 require the approval of the Superintendent and the School Board.
- c) Transfers of \$500,000 or more require the approval of the Superintendent, the School Board, and the Board of Supervisors.

The School Board and/or the School Superintendent shall prepare a budget status report reflecting changes to the approved school budget between appropriation categories, as amended, and the report shall be presented to the County Administrator quarterly.

Sec. 21 *In accordance with the requirements set forth in Section 58.1-3524(C)(2) and Section 58.1-3912(E) of the Code of Virginia, as amended by Chapter 1 of the Acts of Assembly (2004 Special Session 1) and as set forth in Item 503.E (Personal Property Tax Relief Program) of Chapter 951 of the 2005 Acts of Assembly, any qualifying vehicle situated within the County commencing January 1, 2006, shall receive personal property tax relief in the following manner:*

- a) Personal use vehicles valued at \$1,000 or less will be eligible for 100% tax relief;*
- b) Personal use vehicles valued at \$1,001 to \$20,000 will be eligible for 60% tax relief;*
- c) Personal use vehicles valued at \$20,001 or more shall receive 60% tax relief on the first \$20,000 of value;*
- d) All other vehicles which do not meet the definition of "qualifying" (business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for any form of tax relief under this program. Pursuant to authority conferred in Item 503.D of the 2005 State Appropriations Act, the County Treasurer shall issue a supplemental personal property tax bill in the amount of 100 percent of tax due without regard to any former entitlement to state PPTRA relief, plus applicable penalties and interest, to any taxpayer whose taxes with respect to a qualifying vehicle for tax year 2005 or any prior tax year remain unpaid on September 1, 2006, or such date as state funds for reimbursement of the state share of such bill have become unavailable, whichever occurs first.*
- e) Penalty and interest with respect to bills issued pursuant to this section shall be computed on the entire amount of tax owed. Interest shall be computed at the rate provided in Section 9-51 of the county code from the original due date of the tax.*

Sec. 22 *The County Administrator is authorized to reduce a department's current year budget appropriation by a dollar amount equal to the prior year's overspending inclusive of encumbrances carried forward.*

Sec. 23 *Within the healthcare fund the County Administrator is authorized to appropriate use of reserves, interest earnings, and additional employee or employer contributions in excess of \$50,000 in order to pay claims, settlements, and any costs associated with healthcare.*

Amending the Adopted Budget

The State Code of Virginia permits appropriation either by lump sum or by category. The governing body approves the Chesterfield County School Board's budget in the appropriation categories prescribed by the State Board of Education in accordance with the State Code of Virginia; i.e., (i) instruction, (ii) administration, attendance and health, (iii) pupil transportation, (iv) operations and maintenance, (v) school food services and other non-instructional operations, (vi) facilities, (vii) debt and funds transfers, (viii) technology, and (ix) contingency reserves. The School Board, however, has been granted the authority by the Board of Supervisors to make expenditures and incur obligations for specific purposes beyond the funding level of an appropriation category as delineated in Chesterfield County's FY2015 Appropriations Resolution above.

In addition, School Board Policy 7120 states:

BUDGET - FUNDS TRANSFERS

The adoption of the budget by the School Board includes the authority for the administration to make expenditures as appropriated by the Appropriation Resolution approved by the Board of Supervisors. Such appropriation may relate to its total only or to such major classifications prescribed by the State Board of Education pursuant to Va. Code § 22.1-115.

Transfers between major object groups within a department/school or from one department/school to another in the same major classification shall require the approval of the Superintendent or the Superintendent's designee.

In the event that the Board of Supervisors appropriates by major classifications and grants authority to the Superintendent and/or the School Board to transfer a portion of the funds from one major classification to another without the further approval of the Board of Supervisors, such transfer, or successive transfers, may be accomplished as authorized and limited by the Appropriation Resolution. In no event shall a major classification transfer exceeding \$50,000 occur without the prior approval of the School Board. Major classification transfers approved by the Superintendent shall be reported to the School Board at its next occurring regular meeting. Proposed transfers in excess of the dollar limitations established in the Appropriation Resolution shall be submitted to the Board of Supervisors for prior approval.

A budget status report reflecting changes to the adopted budget, as amended, shall be presented to the School Board and the Board of Supervisors as necessary, but no less often than semi-annually. Changes to major classifications, if any, shall be included in this report.

Adopted: December 8, 2009