



## Request for City Council Committee Action from the Department of Finance and Property Services

**Date:** April 13, 2015

**To:** Council Member John Quincy, Chair, Ways and Means Budget Committee

**Referral to:** Approving the 2014 Rollover Appropriation.

**Subject:** Rollover of 2014 to 2015 Appropriation

**Recommendation:** Consent

**Previous Directives:** None

### Department Information

Prepared by: LaTonia Green, Manager, Budget Information and Analysis

Approved by: Kevin Carpenter, Chief Financial Officer

### Reviews N/A

- Permanent Review Committee (PRC): Approval \_\_\_ Date \_\_\_\_\_
- Civil Rights Approval Approval \_\_\_ Date \_\_\_\_\_
- Policy Review Group (PRG): Approval \_\_\_ Date \_\_\_\_\_

### Financial Impact:

- Action requires an appropriation increase to the Operating Budget  
Dept. Name: see attached  
Fund Name: Multiple  
Amount: \$ 42,818,850
- Action requires use of fund balance

**Community Impact:** N/A

## **Supporting Information:**

The City has closed out its financial records for 2014, and work is underway to compile this information for the 2014 Comprehensive Annual Financial Report (CAFR). The Finance and Property Services Department staff, in cooperation with the other departments, has reviewed the year-end status of budgets and activities associated with those budgets. Occasionally, there are items that were planned to happen in the budget year, but due to certain circumstances or directives, were delayed or not completed. The City's Adopted Financial Policies provides a mechanism for budget appropriation to be "rolled" over into the following budget year if the circumstances meet the following specific criteria laid out in the policies:

- 1) Be a valid encumbrance;
- 2) Be a one-time expenditure and not a recurring budget item;
- 3) Have a purpose consistent with the department's business plan and be included as part of the department's planned expenditures for the year;
- 4) Have the budget year appropriation balance available for the encumbered item;  
and
- 5) Have a positive fund financial position, i.e., status of the fund relative to work out plans and whether the fund's spending in the preceding year had expense in excess of revenue.

Finance and Property Services is reporting that the rollover requests listed on Appendix A meet the above criteria, and the Finance Officer has approved amending the 2015 appropriation resolutions to increase the budgets in the funds as attached. In addition to those items meeting the criteria listed above, this action includes additional rollover data for those items that meet other criteria for rolling over budget appropriation.

In past years, rollover actions relating to capital appropriations, grant activities, and other special revenue funds have administratively been rolled over due to their nature as non-General Fund activities. For the 2014 to 2015 rollover action, these additional areas of funding are included to provide context as to the amount of resources typically carried forward from one year to the next and to further demonstrate the changing nature of the annual budget after it is adopted. Additionally, the inclusion of this information further assists in portraying the multi-year implementation of projects.