

City of Chesapeake
 FY 2012-13 Operating Budget

Projected Fund Balance

Operating Funds	Beginning Fund Balance July 1, 2011	Revenue Budgeted FY 2011-12	Transfers In/(Out)	Expenses Budgeted FY 2011-12	Budgeted Fund Balance June 30, 2012
General Fund	138,201,457	488,324,708	(244,816,552)	255,903,753	125,805,860
Virginia Public Assistance Fund	2,068,085	15,409,420	5,459,393	21,156,436	1,780,462
Interagency Consortium	69,534	1,992,420	1,744,982	3,738,702	68,234
Fee Supported Activities	1,380,321	967,280	-	1,058,567	1,289,034
Community Services Board	6,763,140	12,460,410	5,752,048	18,287,458	6,688,140
Conference Center Fund	2,792,645	5,646,760	(1,000,000)	4,646,760	2,792,645
E-911 Operations Fund	6,358,544	6,304,468	2,232,507	8,661,872	6,233,647
Chesapeake Juvenile Services	573,312	3,482,180	1,826,013	5,536,002	345,503
Tax Increment Financing - Greenbrier	12,739,895	4,241,940	(4,291,782)	528,348	12,161,705
Open SpaceAgriculture Preservation	3,393,099	271,284	(64,430)	205,570	3,394,383
Tax Increment Financing - South Norfolk	12,268,809	3,769,060	(2,270,469)	500,668	13,266,732
Parks and Recreation	534,876	1,370,620	1,068,995	2,527,215	447,276
Grants Fund	4,801,127	2,620,343	250,000	2,870,343	4,801,127
Debt Service Fund	41,113,084	471,328	49,083,571	54,869,283	35,798,700
Public Utilities	75,341,142	57,978,150	-	57,004,793	76,314,499
Stormwater	21,779,928	14,908,550	(6,000,000)	8,800,178	21,888,300
Chesapeake Expressway	2,716,835	10,001,034	-	10,001,034	2,716,835
City Garage/Central Fleet	8,928,754	13,533,696	-	15,536,701	6,925,749
Information Technology	5,294,754	8,960,996	-	8,970,426	5,285,324
Risk Management	(4,703,281)	7,239,203	-	7,240,904	(4,704,982)
Mosquito control	5,433,994	3,817,320	-	4,747,681	4,503,633
Subtotal Operating Funds	347,850,054	663,771,170	(191,025,724)	492,792,694	327,802,806

Fund balance is a measure of the funds excess of assets over liabilities. For many funds such as Public Utilities, the Expressway and City Garage, this means that some infrastructure is free of debt and still has a useful life.

The General Fund fund balance also includes required reserves and the City and Schools lockboxes, which are used to pay future debt service payments.

City of Chesapeake
 FY 2012-13 Operating Budget

Projected Fund Balance

Operating Funds	Estimated Beginning July 1, 2012	Revenue Budgeted FY 2012-13	Transfers In/(Out)	Expenses Budgeted FY 2012-13	Budgeted Fund Balance June 30, 2013
General Fund	125,805,860	488,354,799	(238,683,163)	258,204,908	117,272,588
Virginia Public Assistance Fund	1,780,462	12,208,444	4,756,256	18,124,705	620,457
Interagency Consortium	68,234	2,111,834	1,744,093	3,855,927	68,234
Fee Supported Activities	1,289,034	1,354,211	(250,000)	1,354,211	1,039,034
Community Services Board	6,688,140	14,651,201	5,850,297	20,550,700	6,638,938
Conference Center Fund	2,792,645	5,634,682	(1,000,000)	4,634,682	2,792,645
E-911 Operations Fund	6,233,647	5,947,998	(3,052,853)	6,573,004	2,555,789
Chesapeake Juvenile Services	345,503	3,605,319	1,835,022	5,531,341	254,503
Tax Increment Financing - Greenbrier	12,161,705	3,680,102	(2,545,377)	1,215,930	12,080,500
Open SpaceAgriculture Preservation	3,394,383	271,284	(64,430)	206,854	3,394,383
Tax Increment Financing - South Norfolk	13,266,732	3,354,120	(7,528,505)	500,668	8,591,679
Parks and Recreation	447,276	1,455,490	1,097,125	2,552,615	447,276
Grants Fund	4,801,127	2,570,649	250,000	2,820,649	4,801,127
Debt Service Fund	35,798,700	1,377,655	49,064,833	55,692,488	30,548,700
Public Utilities	76,314,499	57,485,150	(2,945,000)	57,385,149	73,469,500
Stormwater	21,888,300	14,953,094	(6,450,000)	8,503,095	21,888,299
Chesapeake Expressway	2,716,835	10,255,892	(3,000,000)	8,755,892	1,216,835
City Garage/Central Fleet	6,925,749	13,748,247	-	13,748,247	6,925,749
Information Technology	5,285,324	8,794,447	-	8,794,447	5,285,324
Risk Management	(4,704,982)	7,489,205	-	7,489,205	(4,704,982)
Mosquito control	4,503,633	3,823,046	-	4,444,973	3,881,706
Subtotal Operating Funds	327,802,806	663,126,869	(200,921,702)	490,939,689	299,068,284

The ending fund balances include cash reservations as required by Charter and Council policy and current commitments for future capital projects.

Explanation of Projected Changes in Fund Balance

The **Virginia Public Assistance Fund (VPA)**, the **Community Services Board, Juvenile Services**, and the **Mosquito Control Commission** are using accumulated funds for operations based on planned uses during economic recovery to limit service reductions. This will be monitored and controlled for reasonableness of expenditures.

The Tax Increment Financing Funds (Greenbrier and South Norfolk) are accumulating funds for future capital projects within each district. The accumulated funds will be used to reduce future debt financing. This is also true for the **Open Space Agriculture Preservation Fund** and the **Fee Supported Activities Fund**.

The following funds will be using accumulated fund balance for one time purposes:

The **Debt Service Fund** received transfers in anticipation of debt service payments for bonds yet to be issued. Due to timing of issuance, a portion of the excess accumulation of available funds is being used in the 2012-13 fiscal year.

The **Virginia Public Assistance** Fund will transfer \$750,000 of accumulated funds to the Capital Project Fund to replace and upgrade software systems used in their operations.

The **E-911** Fund will use \$3,677,852 of accumulated funds for capital outlay related to the 800Mhz radio system.

The **Fee Supported** Fund associated with the Fire Department's HEAT program will use \$250,000 in support of the 800Mhz radio system.

The **General Fund** plans to use fund balance for the FY 2012-13 budget for the following reasons: City and School operating expenditures, the Economic Development Incentive Program, debt expenses, solid waste management designated expenses; and a transfer to capital projects for the Real Estate Mass Appraisal Software.

Public Utilities, the **Stormwater Fund**, and the **Chesapeake Expressway Fund** all use accumulated fund balance for capital projects. Public Utilities will be using \$2,945,000 in FY 2012-13. Stormwater will be using \$6,450,000, and the Expressway will use \$1,500,000. This accumulation of funds is expected and necessary for major maintenance and infrastructure needs. It also reduces the dependence on debt financing.