

Deidre G. Jett

MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Deidre G. Jett, Budget Manager
RE: Resolution Amending the FY 2017 for the Rappahannock Juvenile Jail True-up
DATE: November 1, 2016

ISSUE

The City Council is asked to consider a resolution amending the FY 2017 budget by appropriating an additional \$273,381 for the Rappahannock Juvenile Detention Center.

RECOMMENDATION

Staff recommends approval of the attached resolution which uses a portion of the General Fund balance reserved for Regional Detention Stabilization. The resolution requires two readings and the second is scheduled for November 22, 2016.

BACKGROUND

The City of Fredericksburg is a member of the Rappahannock Juvenile Detention Center (RJDC), along with six other jurisdictions. The costs of operating the facility, as determined by the RJDC Commission, are based on the prior calendar year usage and allocated to the member jurisdictions in accordance with the service agreement.

“The Operating Component shall be determined for each Member Jurisdiction by multiplying Projected Net Expenses... for such Fiscal Year by the ratio of each Member Jurisdiction's Detainee days to the Commission's total Member Jurisdiction Detainee days during the preceding calendar year...”¹

Usage of the RJDC is determined by Child Care Days (CCD). The City's CCD are impacted by the number of children at the facility as well as the length of their stay. At the end of the fiscal year, RJDC reconciles the City's actual usage with budgeted usage relative to other member jurisdictions.

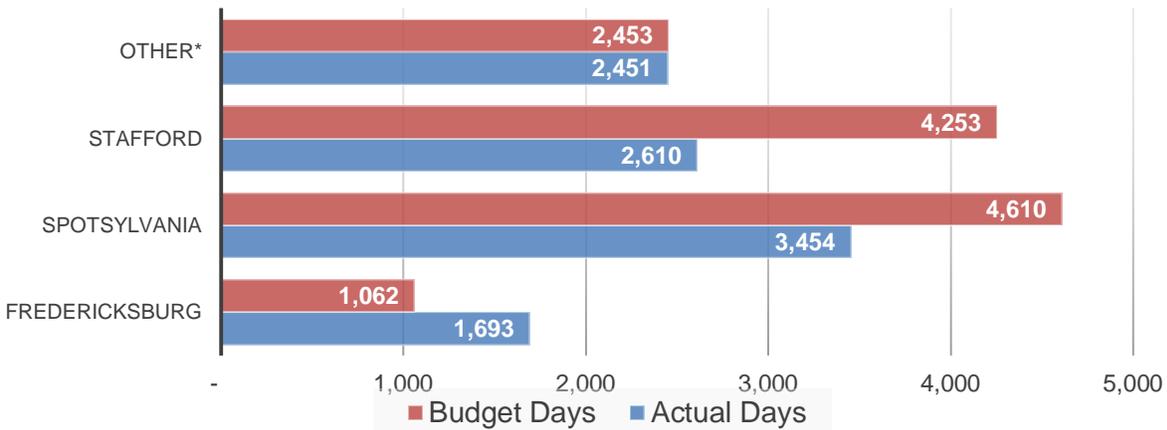
“... the Commission shall compare each Member Jurisdiction's Operating Component charge for such fiscal year to its respective actually used percentage of the total Detainee days used by Member Jurisdictions in such preceding fiscal year. Member Jurisdictions that have underpaid shall be invoiced for the amount

¹ Article VI, Section 4.1 (a) “Payments from Member Jurisdictions” of the Service Agreement.

of their underpayment and shall pay the same to the Commission as an addition to their first quarterly payment of the Operating Component in the then-current fiscal year. Member Jurisdictions that have overpaid will receive a credit for the amount of such overpayment...”²

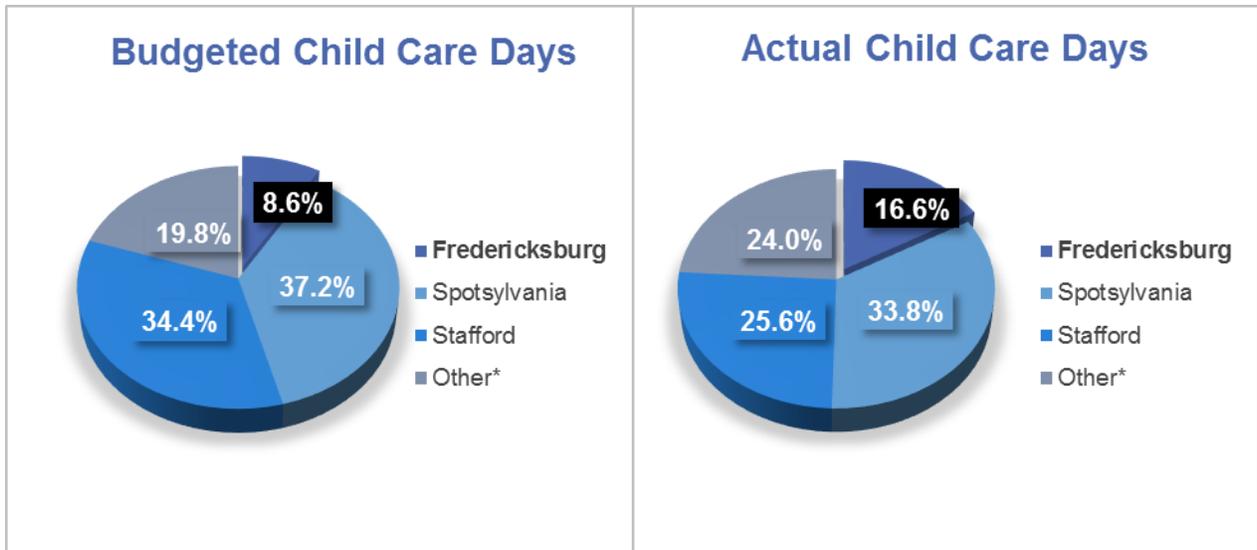
In FY 2016, the City’s actual CCD exceeded budget by 631 days, or 59%.

FY 2016 Rappahannock Juvenile Center Child Care Days Budgeted to Actual



*The counties included in the “Other” category are King George, Louisa, Madison and Orange.

As a result, the impact on the City’s “true-up” is significant. The City’s portion of CCD increased to 16.6% from 8.6%. The following charts show the City’s share relative to the other jurisdictions for FY 2016.



² Article VI, Section 4.1 (d) “Payments from Member Jurisdictions” of the Service Agreement.

FISCAL IMPACT

The impact of the “true-up” occurs mid-year. In some years this results in a “credit” with the City’s payments to the RJDC less than the budget requested by the RJDC Commission. In other years, it requires an additional appropriation. For FY 2017, the result of the “true-up” is an increase of \$273,381, which may be funded from the Regional Detention Stabilization Reserve.

To accommodate the variance in annual funding requests from both the RJDC and the Rappahannock Regional Jail as well as the impact of the mid-year “true-up,” the City Council wisely established the Regional Detention Stabilization Reserve in FY 2016. The policy adopted by the City council on May 16, 2016 allows the City Council to use this reserve for mid-year appropriations. The current reserve level is **\$1.25 million** with a minimum target of \$750,000. This appropriation would decrease the Regional Detention Stabilization Reserve to **\$976,619**. It is anticipated that the reserve will be required in FY 2018 for the Rappahannock Regional Jail.

The Regional Detention Stabilization Reserve policy also sets up a mechanism to replenish the reserve. Should the City’s contributions decrease in a given year, then the City will contribute at least one-half of the amount of the decrease to the reserve unless the reserve is at least \$2 million. The attached resolution represents the first time this reserve will be used as set forth in the policy.

Attachments: Resolution Amending the FY 2017 Budget for the RJDC True-up

cc: Mark Whitley
Clarence Robinson



November 8, 2016
Regular Meeting
Resolution No. 16-

MOTION:

SECOND:

RE: AMENDING THE FISCAL YEAR 2017 BUDGET BY APPROPRIATING \$273,381 IN GENERAL FUND BALANCE RESERVED FOR REGIONAL DETENTION FACILITY CONTRIBUTION STABILIZATION FOR THE CITY’S RECONCILED SHARE OF COSTS AT THE RAPPAHANNOCK JUVENILE DETENTION CENTER

ACTION: Ayes: 0; Nays 0

FIRST READ: _____ SECOND READ: _____

WHEREAS, the City of Fredericksburg is a member of the Rappahannock Juvenile Detention Center (RJDC); and

WHEREAS, the RJCD funding process allocates the local share of costs across jurisdictions in advance, then conducts a “true-up” process after the close of the fiscal year whereby the City either receives a credit or pays a charge based upon the actual use of the facility by the City over the prior fiscal year; and

WHEREAS, in FY 2017, the City received a charge of \$273,381 in additional costs related to the City’s relative use of the RJDC;

WHEREAS, the City Council created a Regional Detention Facility Contribution Stabilization Reserve to alleviate increases in City contributions to the Rappahannock Regional Jail and the Rappahannock Juvenile Detention Center, and

WHEREAS, the City Council assigned \$1.25 million to the Regional Detention Facility Contribution Stabilization Reserve for this purpose;

NOW, THEREFORE, BE IT RESOLVED that the following appropriations amending the FY 2017 budget be recorded in the General Fund.

GENERAL FUND

Source

Regional Detention Facility Contribution Stabilization Reserve

3-100-061010-0015	Fund Balance Assigned	\$	<u>273,381</u>
	Department Total:	\$	<u>273,381</u>

Total Source: \$ 273,381

Use

Correction and Detention

4-100-033200-7004	Juvenile Detention Center	\$	<u>273,381</u>
Department Total:		\$	<u>273,381</u>

Total Use: **\$ 237,381**

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 16-xx duly adopted at a meeting of the City Council meeting held November 8, 2016 at which a quorum was present and voted.

Tonya B. Lacey, CMC
Clerk of Council