



Legislation Text

File #: 16-6202, Version: 1

City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 20, 2017

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Public Hearing, Second Reading and Final Passage on of an Ordinance to Make Supplemental Appropriations for the Support of the City Government for Fiscal Year 2017. [ROLL-CALL VOTE]

ISSUE: Consideration of a Reappropriation Ordinance to amend Fiscal Year 2017 Appropriation.

RECOMMENDATION: That City Council hold a public hearing and pass this proposed ordinance (Attachment 2) on February 25, 2017.

DISCUSSION: Each year, City staff submits a Reappropriation Ordinance to City Council to reappropriate monies authorized by City Council in the prior fiscal year but not expended as of June 30. By City Charter, all appropriations lapse at the end of the fiscal year. When budgeted goods and services are ordered prior to the end of the previous fiscal year, but not delivered until the next fiscal year, monies need to be reappropriated to cover the expenditures paid in the current fiscal year. The various sections throughout this document provide spending authority in the current fiscal year for projects and initiatives already established by City Council.

In addition to encumbered or obligated funds, the ordinance establishes budget authority in the current year for revenues received in the current or prior year that have not yet been appropriated. When possible, the current year operating budget includes an estimated amount for grants and other special revenue and the budget is adjusted, via this ordinance, when the actual revenue amount is awarded. Grants, fees, donations and other special revenues are restricted in purpose. Where relevant, staff has referenced the City Council docket item or action that pertains to the appropriation. Attachment 3 lists the new grants and changes in funding levels compared to the amount estimated in the FY 2017 Approved Operating Budget. Where significant, staff has described how the funding change will impact services.

Staff recommends that the Fiscal Year (FY) 2017 Appropriation be amended to accomplish the following purposes:

- Section 1. The appropriation of Equipment Replacement Fund Balance to pay for new purchases not included in the FY 2017 Appropriation. This appropriation of \$73,435 provides \$32,000 in budget authority to replace snow equipment in the Recreation Department, \$30,000 to the Transportation and Environmental Services Department for a vehicle associated with the Stormwater Management Program and \$11,435 to the Sheriff's Office to replace existing vehicles that will cost more than the original budget estimates included in the FY 2017 Approved Budget.
- Section 2. The appropriation of grant revenues accepted by departments, which need adjustment in FY 2017 or are not yet appropriated. The grants in this section reflect grant revenues that are included as estimates in the current year budget that are being adjusted to reflect the actual award, as well as new grants. New grant applications are approved by City Council. Where applicable, the date of the City Council meeting is included in the comments, as well as how the funds will be utilized. A listing of grants is included (Attachment 3) and totals \$5,971,625.
- Section 3. The appropriation of donations and other special revenues received but not appropriated in the FY 2017 Operating Budget. This appropriation of \$445,850 includes \$174,931 for various donations in other special revenue accounts in Historic Alexandria, \$28,963 to Code Administration in Code Fee Fund Balance, \$78,490 to TES for Capital Bikeshare donations, \$0.2 million to Recreation in prior year revenues for Special Events and a small donation in a Non-Departmental Account for the HIV/AIDS prevention program.
- Section 4. The appropriation of project budget authority from grant revenues, donations, fees, Developer Contributions and SUP Conditions of Capital Improvement Program funds. This appropriation will provide budget authority of \$8,953,038, includes \$8.8 for grant funded projects in the CIP for both TES and OHA, as well as \$0.2 million to restore budget authority in the City's CFMP that was temporarily transferred to the City's Ice Well project. The project is complete and donations have fully funded the costs. The remainder is for playground improvements funding by a donation to the Recreation Department.
- Section 5. The transfer of General Fund Budget Authority Between Departments. Existing resources in several departments are being transferred to allocate resources in the appropriate location. Transfers include \$0.4 million from the Office of the Sheriff to the Department of Community and Human Services to fund a Therapist at the jail. The transfer provides direct funding rather than requiring interdepartmental billing. From a Non-Departmental account, approximately \$0.1 million that was budgeted for an increase in the Living Wage is being transferred to the Recreation Department. Approximately \$18,000 is being transferred from the City Manager's Office to the Office of Historic Alexandria for Sister's Cities program, which is managed by OHA.
- Section 6. The appropriation of General Fund Fund Balance. This appropriation of \$226,256 of General Fund Fund Balance will provide the remaining resources for the Tavern Square Buildout. In the Fall Appropriation Ordinance, \$0.3 million was appropriated in end of year savings, but this portion was inadvertently omitted. The source of the funding is end of year lease savings from FY 2016.
- Section 7. The appropriation of Component Unit Funds. This appropriation of \$882,345 will provide

budget authority to DASH and the Libraries. Of the total, \$79,725 is for the Libraries to reflect an interfund transfer of \$75,000 from the General Fund that was approved in the Fall Appropriation Ordinance for security cameras and approximately \$5,000 in state revenue that is slightly higher than the amount included in the FY 2017 Approved Operating Budget. The remaining \$0.8 million will appropriate funds for the Alexandria Transit Company (DASH) for grant funds received during FY 2017. The specific details of the grants are included in attachment 3.

Section 8 The appropriation of General Obligation Bond Proceeds. This appropriation includes \$34,168,000 in bond proceeds from the recent bond refinancing approved by City Council in May 2016.

FISCAL IMPACT: The eight sections of the ordinance appropriate a total of \$50,720,549 as follows:

| | | |
|-----------|---|---------------|
| Section 1 | Appropriation of Equipment Replacement Fund Balance | \$ 73,435 |
| Section 2 | Appropriation of grant revenues authorized and adjusted but not appropriated in Fiscal Year 2017. | \$ 5,971,625 |
| Section 3 | Appropriation of donations, fees and other special revenue | \$ 445,850 |
| Section 4 | Appropriation of Capital Improvement Program revenues previously unbudgeted. | \$ 8,953,038 |
| Section 5 | Transfer of General Fund Budget Authority. | \$ 0 |
| Section 6 | Appropriation of General Fund Fund Balance | \$ 226,256 |
| Section 7 | Appropriation of Component Unit Funds | \$ 882,345 |
| Section 8 | Appropriation of General Obligation Bond Proceeds | \$ 34,168,000 |

ATTACHMENTS:

Attachment 1: Ordinance Cover to Amend Fiscal Year 2017 Appropriation

Attachment 2: Ordinance to Amend Fiscal Year 2017 Appropriation

Attachment 3: Listing of Fiscal Year 2017 City of Alexandria Grant Adjustments

STAFF:

Kendel Taylor, Finance Director

Morgan Routt, Budget Director, OMB