



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 6, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

DOCKET TITLE:

Introduction and First Reading. Consideration. Passage on First Reading of an Ordinance to Make Supplemental Appropriations for the Support of the City Government for Fiscal Year 2019.

ISSUE: Consideration of a Supplemental Appropriation Ordinance to amend the Fiscal Year 2019 Appropriation.

RECOMMENDATION: That City Council pass this proposed ordinance (Attachment 2) on first reading and schedule it for second reading, public hearing, and final passage on March 16, 2019.

DISCUSSION: This Ordinance includes the appropriation of City Grants and Capital Funds; the transfer of General Fund appropriations between various departments and the appropriation of Other Special Revenue Funds and Donations.

Staff recommends that the Fiscal Year (FY) 2019 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 2019 Appropriation. This appropriation of \$200,629 provides \$170,629 in budget authority to the Fire Department to reflect insurance settlement money that was received related to vehicles. In addition, \$30,000 is being appropriated to the Department of Transportation and Environmental Services.
- Section 2. The appropriation of grant revenues accepted by departments, which need adjustment in FY 2019 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 \$1,508,458. It should be noted that \$148,477 of the grants described will reduce project budget authority in the Capital Improvement Program reflected in Section 5.

- Section 3. The appropriation of donations and other special revenues received but not appropriated in the FY 2019 Operating Budget. This appropriation of \$209,074 in donations and other special revenues as follows: \$66,000 in donations received in FY 2019 or a prior year to the Office of Historic Alexandria for various programs, including the Stabler-Leadbeater Apothecary Museum, Wales Alley, Freedom House Museum and the Prettyman Hose Carriage; \$44,000 to the Police Department to recognize eCitation revenue; \$34,083 to TES for an Eco-City donation and Shared Mobility Pilot program vendor payments, and \$75,911 million to Recreation in contributions and donations for special events. These increases are offset by a \$10,920 decrease to Department of Code Administration to reflect actual fee revenue.
- Section 4. The appropriation of other special revenues-equitable sharing agreement received but not appropriated in the FY 2019 Operating Budget. This appropriation of \$742,700 includes revenue received in prior years from the U.S. Department of Treasury for seized assets. Several of the City's Public Safety and Justice Agencies receive funds through these equitable sharing agreements. Under federal law, there are rules related to budgeting these funds as part of a regular operating budget, and there are restrictions as to their utilization. The U.S. Department of Treasury requested a spending plan through the end of calendar year 2019 for the current balance of \$742,700. All funds are being appropriated at this time, and any funds that are not expended as of June 30 will be reappropriated in the fall to ensure compliance with the expectations of the Department of the Treasury.
- Section 5. 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 \$50,072,319 in the Capital Improvement Program including \$148,477 in grant adjustments that are described in detail in Attachment 3. The majority of these are adjustments that amend existing project budget authority to reflect actual grant awards and the associated city share. Also included in this section are developer contributions and donations to add or expand existing projects, including donations for Mt Vernon Community School Playground improvements and public art acquisition and \$50 million in Amazon HQ2 related new state grant funds to fund the Potomac Yard Metrorail Station Southwest Entrance enhancement.
- Section 6. The transfer of General Fund Budget Authority Between Departments. Existing resources in several departments are being transferred to allocate resources in the appropriate location. From a Non-Departmental account, \$26,435 is being transferred to General Services for costs to implement the Living Wage increases in the FY 2019 Approved Operating Budget. For FY 2020, this increase is proposed to be budgeted in individual departments. In addition, (\$25,000) is being transferred from the Alexandria Libraries to reflect a reduction in their share of previously budgeted vacancies savings.

- Section 7. Appropriation of General Fund balance. This appropriation of \$5,550,000 includes \$4.3 million to the Office of Housing of real estate tax revenue that was budgeted in FY 2018 for the Church of the Resurrection affordable housing project and \$0.5 million in real estate tax revenue from the National Science Foundation that were budgeted in FY 2017. Additionally, this appropriation includes \$0.75 million for the Office of the City Attorney to fund outside legal fees that exceed the budgeted amount.
- Section 8. Appropriation of Affordable Housing Funds. This appropriation of \$5,455,517 includes \$4,800,000 in budget authority for the Office of Housing reflecting the increase in program resources that will be funded from General Fund Balance as an interfund transfer appropriated in Section 7, and \$655,517 in Housing Trust Funds.
- Section 9. Appropriation of Component Unit Funds - Alexandria Libraries. This appropriation of \$25,000 in budget authority for the Alexandria Libraries reflects a reduction in their share of the vacancy savings estimate that was distributed to City departments in the November Supplemental Appropriation Ordinance.
- Section 10. Appropriation of Alexandria Transit Company Revenue. This appropriation of \$1,204,500 in budget authority for the Alexandria Transit Company reflects an estimate of the funds that will be provided to DASH by WMATA to operate shuttle bus service in FY 2019.

FISCAL IMPACT: The ten sections of the ordinance appropriate a total of \$64,968,197 as follows:

Section 1	Appropriation of Equipment Replacement Fund Balance	\$ 200,629
Section 2	Appropriation of grant revenues authorized and adjusted but not appropriated in Fiscal Year 2019.	\$ 1,508,458
Section 3	Appropriation of donations, fees and other special revenue	\$ 209,074
Section 4	Appropriation of other special revenue - seized assets	\$ 742,700
Section 5	Appropriation of Capital Improvement Program Funds	\$ 50,072,319
Section 6	Transfer of General Fund Budget Authority.	\$ 0
Section 7	Appropriation of General Fund Balance	\$ 5,550,000
Section 8	Appropriation of Affordable Housing Funds	\$ 5,455,517
Section 9	Appropriation of Component Unit Funds - Libraries	\$ 25,000
Section 10	Appropriation of Alexandria Transit Company Revenue	\$ 1,204,500

ATTACHMENTS:

Attachment 1: Ordinance Cover to Amend Fiscal Year 2019 Appropriation

Attachment 2: Ordinance to Amend Fiscal Year 2019 Appropriation

Attachment 3: Listing of Fiscal Year 2019 City of Alexandria Grant Adjustments

STAFF:

Kendel Taylor, Director, Department of Finance

Morgan Routt, Director, Office of Management and Budget