



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 7, 2022

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAION, CITY MANAGER /s/

FROM: KENDEL TAYLOR, DIRECTOR OF FINANCE
EVAN DAVIS, DIVISION CHIEF, ADMINISTRATIVE SERVICES

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 2022.

ISSUE: Consideration of a Supplemental Appropriation Ordinance to amend Fiscal Year 2022 appropriations.

RECOMMENDATION: That City Council adopt this proposed Supplemental Appropriation Ordinance totaling \$28,863,872 (Attachment 2) on first reading on Tuesday, June 14, 2022 and schedule it for second reading, public hearing, and final passage on June 18, 2022.

DISCUSSION: Near the end of each fiscal year, the final Supplemental Appropriation Ordinance is presented for City Council consideration in order to reflect additional grant revenues, donations, and other technical appropriation adjustments previously planned but not yet enacted. This year's ordinance includes several grant and capital project adjustments, interdepartmental transfers, and the appropriation of the second tranche of American Rescue Plan (ARPA) funds (\$29.8 million). Attachment 3 lists new grants and changes in grant funding levels compared to the amount estimated in the FY 2022 Approved Operating Budget. Where significant, staff has described how the funding change will impact services.

Staff recommends that the Fiscal Year (FY) 2022 Appropriation be amended to accomplish the following purposes:

Section 1. Appropriation of Grant Revenues Authorized and Adjusted but not Appropriated in FY 2022. The grants in this section were either included as estimates in the current year budget and are being adjusted to reflect the actual award, or they are newly awarded during FY 2022. New grant applications are approved by City Council. A listing of grants is included (Attachment 3)

and totals \$555,748 in various external grants, along with \$168,837 in grants specifically for affordable housing (see Section 3) and a \$2.6 million grant for the Alexandria Transit Company (DASH, see Section 4).

- Section 2. Appropriation of Housing Trust Fund Revenues Received but not Appropriated in FY 2022. This appropriation includes program income, loan repayments, and Housing Trust Funds in the amount of \$2,132,772.
- Section 3. Appropriation of Housing Grant Revenues Authorized and Adjusted but not Appropriated in FY 2022. This appropriation includes external grant funds for affordable housing in the amount of \$168,837. This includes federal funds to issue home ownership and home rehabilitation loans. A listing of these grants is included (Attachment 3).
- Section 4. Appropriation of Grant Revenues to the Alexandria Transit Company. This section appropriates \$2.6 million in a FY 2022 Transit Ridership Incentive Program (TRIP) grant award to the Alexandria Transit Company (DASH) which was previously approved by Council. TRIP was awarded to the City and DASH by the Virginia Department of Rail and Public Transportation to partially fund fare-free DASH service. This grant is included in Attachment 3.
- Section 5. Appropriation of Donations and Other Special Revenues Received but not Appropriated in the FY 2022 Operating Budget. This appropriation of \$74,463 in donations and other special revenue reflects several small adjustments of donations and other special revenue in the Office of Historic Alexandria and the Department of Recreation, Parks, and Cultural Activities to bring budget authority in line with revenues received in FY 2022.
- Section 6. Transfer of Budget Authority Between Departments. This section shifts appropriated General Fund resources from non-departmental accounts to departments which have incurred unbudgeted expenses or expenditures which exceed the current appropriation or anticipated non-General Fund revenues. In the December 2021 Supplemental Appropriation Ordinance, City Council appropriated \$7.2 million for FY 2022 employee pay initiatives. This appropriation was initially made to non-departmental accounts, rather than being distributed to departments, in order to transfer only the actual amount needed by each department at the end of the fiscal year. Across the City, various departments need \$3.1 million in total additional FY 2022 appropriation, with the remainder of the cost of the pay initiatives having been absorbed by vacancy savings.
- Section 7. Appropriation of American Rescue Plan Act Funds. This appropriation of \$29.8 million recognizes the second tranche of ARPA State and Local Fiscal Recovery Funds received from the U.S. Treasury, to be used for projects as previously determined by City Council.
- Section 8. Appropriation of Special Revenue Funds Received but not Appropriated in FY 2022. This section appropriates \$28,269 in plastic bag taxes received via the Virginia Department of Taxation but not yet appropriated. These funds will be used in a manner that is consistent with the authorizing legislation and City Code.
- Section 9. De-appropriation of Capital Project Funds from Intergovernmental Revenue and Private Contributions. This section de-appropriates a total of \$6.6 million of state and federal grants and private contributions which were budgeted for several capital projects. New appropriations include fees received from Comcast to support the City's voice-over-IP network, private

contributions to improve the Witter Recreation Fields, and new grant funds to improve traffic signals at detour locations around the City. These are offset by two de-appropriations. The first reduces private contributions for the East Glebe & Route 1 Improvements project by \$4.3 million to reflect the agreed contribution with the developer, and the second reduces the grant budgets for four transportation projects to reflect actual expenditures and revenues.

Section 10. Appropriation of ARPA Funds to Component Units - Alexandria Library. This appropriation of \$44,000 consists of two ARPA grants being managed by the Alexandria Library, funding outdoor programming and mobile hotspots. This section provides budget authority in the Library fund to enable it to directly spend the grants.

FISCAL IMPACT: The ten sections of the ordinance appropriate a total of \$28,863,872 as follows:

Section 1.	Appropriation of Grant Revenues Authorized and Adjusted but not Appropriated in Fiscal Year 2022.	\$ 555,748
Section 2.	Appropriation of Housing Trust Fund Revenues Received but not Appropriated in Fiscal Year 2022.	\$ 2,132,772
Section 3.	Appropriation of Housing Grant Revenues Authorized and Adjusted but not Appropriated in Fiscal Year 2022.	\$ 168,837
Section 4.	Appropriation of Grant Revenues to the Alexandria Transit Company.	\$ 2,623,930
Section 5.	Appropriation of Donations and Other Special Revenues Received but not Appropriated in Fiscal Year 2022.	\$ 74,463
Section 6.	Transfer of Budget Authority Between Departments.	\$ 0
Section 7.	Appropriation of American Rescue Plan Act Funds.	\$ 29,816,917
Section 8.	Appropriation of Special Revenue Funds Received but not Appropriated in FY 2022.	\$ 28,269
Section 9.	De-appropriation of Capital Project Funds.	\$ (6,581,064)
Section 10.	Appropriation of ARPA Funds to Component Units - Alexandria Library	\$ 44,000

ATTACHMENTS:

Attachment 1: Ordinance Cover to Amend Fiscal Year 2022 Appropriation

Attachment 2: Ordinance to Amend Fiscal Year 2022 Appropriation

Attachment 3: Listing of Fiscal Year 2022 City of Alexandria Grant Adjustments

STAFF:

Laura B. Triggs, Deputy City Manager

Kendel Taylor, Finance Director

Morgan Routt, Budget Director, Office of Management and Budget

Evan Davis, Administrative Chief, Finance