



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 6, 2023

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

FROM: KENDEL TAYLOR, INTERIM DEPUTY CITY MANAGER

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 2023.

ISSUE: Consideration of a Supplemental Appropriation Ordinance to amend Fiscal Year 2023 appropriations.

RECOMMENDATION: That City Council adopt this proposed Supplemental Appropriation Ordinance totaling \$28,858,175 (Attachment 2) on first reading on Tuesday, June 13, 2023 and schedule it for second reading, public hearing, and final passage on June 17, 2023.

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 several adjustments project budgets funded by ARPA funds. Attachment 3 lists new grants and changes in grant funding levels compared to the amount estimated in the FY 2023 Approved Operating Budget. Where significant, staff has described how the funding change will impact services.

Staff recommends that the Fiscal Year (FY) 2023 Appropriation be amended to accomplish the following purposes:

Section 1. Appropriation of Housing Trust Fund Revenues Received but not Appropriated in FY 2023.
This appropriation includes program income, loan repayments, and Housing Trust Funds in the amount of \$66,698.

Section 2. Appropriation of Housing Grant Revenues Authorized and Adjusted but not Appropriated in FY

2023. This appropriation includes external grant funds for affordable housing in the amount of \$728,458. This includes federal funds to issue home ownership and home rehabilitation loans. A listing of these grants is included (Attachment 3).

- Section 3. Appropriation of Grant Revenues Authorized and Adjusted but not Appropriated in FY 2023. 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 2023. New grant applications are approved by City Council. A listing of grants is included (Attachment 3) and totals \$1,387,941 in various external grants.
- Section 4. Appropriation of Donations and Other Special Revenues Received but not Appropriated in the FY 2023 Operating Budget. This appropriation of \$4,010 in donations and other special revenue in Department of Recreation, Parks, and Cultural Activities will bring budget authority in line with revenues received in FY 2023.
- Section 5. Appropriation of General Fund Balance. This appropriation of \$10,000,000 in Committed General Fund Balance provides funding for the Capital Improvement Program.
- 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.
- Section 7. Transfer of American Rescue Plan Act Funds. This section shifts appropriated American Rescue Plan Act resources between projects where final project costs exceeded preliminary estimates. Specifically, funds that were appropriated for facility cleaning (\$52,000) are being transferred to provide additional resources for the Digital Equity project.
- Section 8. Appropriation of General Fund Revenues. Several large capital projects are funded through capitalized interest, where the interest is funded through bond proceeds in the early years. Revenue is posted to the general fund to provide sufficient resources to pay the debt service. This appropriation of \$731,949 of bond proceeds provides funds for Potomac Yard and Landmark.
- Section 9. Appropriation of Potomac Yard Fund Balance. This appropriation of \$13,140,816 in Potomac Yard Fund Balance provides funding for the amended project funding agreement and interest payments for the line of credit that was in place during the project.
- Section 10. Appropriation of Capital Project Funds from Private Contributions and Other Revenue. This section appropriates a total of \$1.34 million of private contributions for public art. This appropriation will increase the budget authority in Public Art Acquisitions by \$0.3 million and \$0.9 million in Rental Fees and Sale of Land revenue for Open Space Acquisition to align project budget authority with actual revenue received. Additionally, \$0.1 million of private contributions for trash cans will be appropriated to the Department of Transportation and Environmental Services.
- Section 11. Appropriation of DASH Funds - Alexandria Transit Company. This appropriation of \$1.5 million increase the approved budget of the Alexandria Transit Company to cover the budget

deficits in operations and maintenance due to overtime and increased costs for fuel, parts and supplies. The DASH budget deficits in operations overtime is \$1.2 million. The deficit in fuel, parts and supplies is also \$1.2 million. These deficits are offset by budget savings in maintenance and administrative personnel costs, as well as operations wages savings due to vacancies. The budget deficit at DASH is being funded by General Fund savings generated from the City's WMATA contribution funding strategy.

FISCAL IMPACT: The 11 sections of the ordinance appropriate a total of \$28,922,475 as follows:

Section 1.	Appropriation of Housing Trust Fund Revenues Received but not Appropriated in Fiscal Year 2023.	\$ 66,698
Section 2.	Appropriation of Housing Grant Revenues Authorized and Adjusted but not Appropriated in Fiscal Year 2023.	\$ 728,458
Section 3.	Appropriation of Grant Revenues Authorized and Adjusted but not Appropriated in Fiscal Year 2023.	\$ 1,387,941
Section 4.	Appropriation of Donations and Other Special Revenues Received but not Appropriated in Fiscal Year 2023.	\$ 4,010
Section 5.	Appropriation of General Fund Balance.	\$ 10,000,000
Section 6.	Transfer of Budget Authority Between Departments.	\$ 0
Section 7.	Transfer of American Rescue Plan Act Funds.	\$ 0
Section 8.	Appropriation of General Fund Revenue.	\$ 731,949
Section 9.	Appropriation of Potomac Yard Fund Balance.	\$ 13,140,816
Section 10.	Appropriation of Capital Project Funds.	\$ 1,362,604
Section 11.	Appropriation to the Alexandria Transit Company.	\$ 1,500,000

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:

Morgan Routt, Budget Director, Office of Management and Budget