



City of Alexandria

City Council Chambers at
Del Pepper Community
Resource Center
4850 Mark Center Drive
Alexandria, VA 22311

Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 6, 2024

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER

FROM: KENDEL TAYLOR, DIRECTOR OF FINANCE

DOCKET TITLE:

Public Hearing, Second Reading and Final Passage of an Ordinance to Make Supplemental Appropriations for the Support of the City Government for Fiscal Year 2025. [ROLL-CALL VOTE]

ISSUE: Consideration of a Reappropriation Ordinance to amend Fiscal Year 2025 Appropriation.

RECOMMENDATION: That City Council pass this proposed ordinance (Attachment 2) on first reading on Tuesday, November 12, 2024, and schedule it for second reading, public hearing, and final passage on Saturday, November 16, 2024.

DISCUSSION: Each year, City staff submits a Reappropriation Ordinance to City Council to reappropriate certain 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 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. Many of the programs and services in the Office of Housing and the Department of Community and Human Services are funded with state and federal appropriations that are not tied to specific grant applications. Funds are allocated to the City based on existing programs, clients, or

regional agreements. Resources for these departments are utilized to leverage General Funds or minimize the impact on the General Fund, while furthering the goals and objectives of the City Council Strategic Plan. Attachment 3 lists the new grants and changes in funding levels compared to the amount estimated in the FY 2025 Approved Operating Budget. Where significant, staff have described how the funding change will impact services. Attachment 4 provides a list of incomplete projects and other one-time expenditures that will be funded with FY 2024 savings.

Staff recommend that the Fiscal Year (FY) 2025 Appropriation be amended to accomplish the following purposes:

- Section 1. Reappropriation of Equipment Replacement Reserve Fund Balance to pay for commitments, in the form of encumbrances, established prior to June 30, 2024, but not paid by that date. This appropriation includes encumbrances totaling \$4,702,374 of Equipment Replacement Reserve Fund obligations (primarily for vehicles and equipment ordered in FY 2024 but not delivered until FY 2025).
- Section 2. Reappropriation of revenues received but not appropriated. This appropriation includes external grant funds in the amount of \$5,722,557, primarily funds received from the Department of Housing and Urban Development. Reappropriated revenues will be used for loan and rehabilitation programs and other affordable housing initiatives.
- Section 3. Appropriation of grant revenues authorized and adjusted but not appropriated in FY 2025. The \$4,668,824 in 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).
- Section 4. Appropriation of funds to the Alexandria Transit Company. This appropriation includes \$335,000 in funds to the Alexandria Transit Company (DASH), for several grant funded initiatives, including pilot projects for onboard information systems and blind spot cameras, as well as funding for two paid interns.
- Section 5. Appropriation of Donations and Other Special Revenues received but not appropriated in the FY 2025 Operating Budget. This section appropriates \$1,236,128 in donations and other special revenue received, but not appropriated in FY 2025, to the Departments of Recreation, Parks & Cultural Services, Transportation & Environmental Services, Community and Human Services, and to the Sheriff's Office. Donations and contributions have been received for landscape commemorations, Robinson Landing maintenance, the Eisenhower East Open Space fund, the summer youth employment program, and the guaranteed basic income program. This appropriation includes \$250,000 to the Opioid Settlement Fund account in support of the Medicine Assisted Treatment (MAT) program.
- Section 6. Appropriation of Other Special Revenues received but not appropriated in the FY 2025 Operating Budget. Several of the City's Public Safety and Justice Agencies receive funds in the form of Seized Assets. This appropriation of \$136,829 in seized assets for the Office of the Commonwealth's Attorney to support the implementation of body worn cameras.

- Section 7. Appropriation of Component Unit Funds - Alexandria Libraries. This appropriation of \$73,085 for the Alexandria Libraries recognizes additional state aid revenue provided above the amount included in the FY 2025 Approved Operating Budget as well as a non-profit grant for interns to digitize materials related to the 1939 Sit-In and City support to recognize the 85th anniversary of that event.
- Section 8. Appropriation of General Fund Balance. This appropriation of \$3,294,959 will fund projects that were not complete at the end of FY 2024 or projects for which the identified funding is FY 2024 savings. Attachment 4 details the incomplete projects that are being funded.
- Section 9. Appropriation of Capital Project Fund budget authority from Assigned General Fund Balance, Intergovernmental Revenue, and developer contributions. This net appropriation totals \$14,810,591 for increases and decreases to the specific projects included in the ordinance.
- Section 10. Appropriation of Potomac Yard Fund Balance. This appropriation reflects the allocation of \$10,003,900 million in Potomac Yard Metro fund balance pursuant to the second amendment of the Washington Metropolitan Area Transit Authority (WMATA) Funding Agreement approved by City Council on June 13, 2023. A small reappropriation of Potomac Yard Metro fund balance is included to pay for vehicle fuel and maintenance.
- Section 11. Appropriation of Housing Trust Fund Revenues Received but not Appropriated in FY 2025. This appropriation includes loan repayments, developer contributions and Housing Trust Funds in the amount of \$10,096,583.
- Section 12. Transfer of Budget Authority Between Departments. This section shifts \$2,137,723 in General Fund and grant appropriations from the Court Service Unit in FY 2025 to the Department of Recreation, Parks & Cultural Affairs and to Criminal Justice Services and shifts appropriated General Fund drug treatment Court contingency resources from non-departmental accounts to Circuit Court Judges accounts.
- Section 13. Transfer of American Rescue Plan Act Funds. This section shifts appropriated American Rescue Plan Act resources between projects where final project costs were less than preliminary estimates. By executing this transfer, the City will recognize these funds as Revenue Replacement for the Provision of Government Services, which will increase the anticipated surplus at year end and provide General Fund Fund Balance to pay for approved or committed projects.

FISCAL IMPACT: The eleven sections of the ordinance appropriate a total of \$ 55,080,830 as follows:

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| Section 1. | Reappropriation of funds encumbered as of June 30, 2024 | \$ 4,702,374 |
| Section 2. | Reappropriation of grant revenues authorized and adjusted but not appropriated in Fiscal Year 2025. | \$ 5,722,557 |

Section 3.	Appropriation of grant revenues authorized and adjusted but not appropriated in Fiscal Year 2025.	\$ 4,668,824
Section 4.	Appropriation of Grant Funds - Alexandria Transit Company	\$ 335,000
Section 5.	Appropriation of residual balances in accounts to be funded from donations, fees, and other special revenue.	\$ 1,236,128
Section 6.	Appropriation of residual balances in accounts to be funded from seized assets.	\$ 136,829
Section 7.	Appropriation of Component Unit Funds - Libraries	\$ 73,085
Section 8.	Appropriation of General Fund Balance	\$ 3,294,959
Section 9.	Appropriation of Capital Improvement Program Funds	\$ 14,810,591
Section 10.	Appropriation of Potomac Yard Fund Balance	\$ 10,003,900
Section 11.	Appropriation of Housing Trust Fund Revenues Received but not Appropriated in FY 2025	\$ 10,096,583
Section 12.	Transfer of Budget Authority Between Departments	\$ 0
Section 13.	Transfer of American Rescue Plan Act Funds	\$ 0

ATTACHMENTS:

Attachment 1: Ordinance Cover to Amend Fiscal Year 2025 Appropriation

Attachment 2: Ordinance to Amend Fiscal Year 2025 Appropriation

Attachment 3: Listing of Fiscal Year 2025 City of Alexandria Grant Adjustments

Attachment 4: Listing of Fiscal Year 2025 Incomplete Projects

STAFF:

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