


City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 21, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: TRANSFER RESOLUTION - FY 2006 GENERAL FUND OPERATING BUDGET

ISSUE: Transfer Resolution – FY 2006 General Fund Operating Budget.

RECOMMENDATION: That City Council adopt the attached resolution which transfers \$1,630,840 in budgeted funds among eight departmental accounts.

DISCUSSION: In accordance with Section 5.07 of the City Charter, at the end of each fiscal year, City staff submits a resolution to City Council to transfer existing current year appropriated funds to adjust the various departmental accounts up and down as necessary, without increasing total appropriations, according to projected final expenditure patterns.

Approximately half the proposed transfers outlined in this report distribute centrally budgeted funds from the Non-Departmental account to departments for increased fuel expenses and workers compensation claims. Funds for these volatile and uncertain types of expenditures have been budgeted centrally in the Non-Departmental account with the plan that they would be distributed, as necessary at the end of the year in this transfer resolution, to those departments who are actually experiencing these costs and cannot absorb them within their own budgets. This transfer resolution proposes the distribution of \$856,230 for these two purposes to a variety of departments as specified below.

The resolution also would transfer \$400,000 for mandated local match expenditures for the Community Services Act program to the Department of Human Services. An additional \$374,610 is required to be transferred to departments for other various purposes as described below.

Specifically, the transfers, in the total amount of \$1,630,840 (less than 0.4 percent of the total General Fund budget), are recommended to provide funds to:

- General Services: (\$408,877) for City fleet vehicle fuel cost increases (\$337,929) and workers compensation costs (\$70,948);
- Department of Human Services: (\$606,100), including the Community Services Act (CSA) projected expenditures (\$400,000), costs for relocating staff to the Herbert Street offices (\$35,100), funding for an overhire Out-Of-School-Time position (\$46,000) and Home Health Aides for the Ladrey facility (\$135,000) CSA expenses represent the required local match (53 %) to state grant funds (47 %) as expenditures have increased due to an increased number of higher cost children served, as well as change in federal Title IV-E regulations. Ladrey expenses were needed to provide continuity of care for frail elderly after the HUD grant to ARHA expired.;
- Department of Recreation, Parks and Cultural Services: (\$254,827), including workers compensation costs (\$89,000), expenditures related to the evening youth activity pilot program at the Charles Houston Recreation Center (\$39,510) and utilities (\$126,317);
- Registrar of Voters: (\$16,000) for costs of the June primary elections;
- Fire Department: (\$232,036) for workers compensation costs (\$134,148) and Fire fleet vehicles fuel cost increases (\$97,888);
- City Attorney's Office: (\$100,000) for personnel and outside legal Counsel costs; and
- Law Library: (\$3,000) for personnel costs.

The funds to be transferred are provided solely from funds available in the Non-Departmental budget as follows:

- General Fund Debt Service (\$708,510) available due to selling bonds later in the fiscal year than originally planned.
- Workers compensation (\$360,196) available for distribution from a central account set aside for this purpose.
- Energy Contingency (\$562,134) available for distribution from a central account set aside for this purpose.

FISCAL IMPACT: The resolution balances operating budget accounts by transferring approved appropriations. There is no net change in total budgeted expenditures as a result of the transfers.

ATTACHMENT: FY 2006 Transfer Resolution

STAFF:

Bruce Johnson, Director, Office of Management and Budget
Paul Doku, Budget/Management Analyst, Office of Management and Budget
Laura Triggs, Deputy Director/Comptroller, Finance/Accounting
Ray Welch, Financial Reporting Supervisor, Finance/Accounting

RESOLUTION #

WHEREAS, certain appropriation accounts of the City of Alexandria, Virginia will be overexpended due to budgeting practices and unanticipated expenditures; and

WHEREAS, it is the desire of the City Council to take the action necessary to transfer budget authority among City departments to adjust these accounts;

**NOW, THEREFORE, BE IT RESOLVED BY THE
CITY COUNCIL OF ALEXANDRIA, VIRGINIA:**

That the Director of Finance be and hereby is authorized to make the following appropriations transfers between the General Fund accounts designated:

TRANSFER APPROPRIATIONS FROM:

103606	Non-Departmental - General Debt Service (Interest Earnings)	\$708,510
125203	Non-Departmental - Workers Compensation	360,196
125864	Non-Departmental - Energy Contingency	<u>562,134</u>
		<u>\$1,630,840</u>

TRANSFER APPROPRIATIONS TO:

102097	Human Services	\$606,100
108100	General Services	408,877
106104	City Attorney	100,000
111708	Fire	232,036
121657	Recreation	254,827
107102	Registrar of Voters	16,000
102921	Law Library	<u>3,000</u>
		<u>\$1,630,840</u>

ADOPTED: June 27, 2006

WILLIAM D. EUILLE, MAYOR

ATTEST:

JACQUELINE M. HENDERSON, CITY CLERK

RESOLUTION NO. 2198

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WILLIAM D. EULLE MAYOR

ATTEST:


Jacqueline M. Henderson, CMC City Clerk