

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 1, 2007

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER *J*

SUBJECT: SUPPLEMENTAL APPROPRIATION ORDINANCE FOR THE SUPPORT OF THE CITY GOVERNMENT FOR FISCAL YEAR 2007

ISSUE: Consideration of a Supplemental Appropriation Ordinance for the support of the City government for fiscal year (FY) 2007.

RECOMMENDATION: That City Council pass this proposed ordinance (Attachment I) on first reading and schedule it for public hearing, second reading, and final passage on June 16, 2007.

DISCUSSION: Near the end of each fiscal year a Supplemental Appropriation Ordinance is presented for Council consideration in order to reflect additional grant revenues, donations and other technical appropriation adjustments previously planned but not yet enacted. This Ordinance includes the appropriation of City Grants and the appropriation of Capital Project Fund Revenues; the appropriation of Designated General Fund Balance to finance construction costs throughout the City in accordance with the previously approved Capital Improvement Program (CIP) funding plan; the appropriation of Equipment Replacement Retained Earnings; the appropriation of Schools' Fund Balance to pay for commitments established but not paid prior to June 30, 2006; the appropriation of Charges for Service Revenues; the appropriation of Designated Fund Balance for Public Safety Benchmark Adjustments; and the appropriation of proceeds from the Refunding Bond Issue. Staff recommends the FY 2007 Appropriations Ordinance be amended to accomplish the following:

- (1) The appropriation of grant revenue accepted or adjusted by the City in FY 2007, for specific programs, but not yet appropriated. A listing of grants is included as Attachment II and totals \$5,799,935.
- (2) The appropriation of \$1,524,084 of revenue received by the City for various capital projects. A listing of revenue is included in Attachment III.
- (3) The appropriation and transfer of \$7,353,288 from the General Fund Balance to the Capital Projects Fund as previously designated in the Comprehensive Annual Financial

Report for the Fiscal Year ended June 30, 2006, and planned initially and approved for the FY 2007 - 2012 Approved Capital Improvement Program.

- (4) The appropriation of \$770,000 of Equipment Replacement Retained Earnings not yet appropriated for vehicles and other equipment to be purchased in FY 2007.
- (5) The reappropriation of \$1,487,560 of the School Fund Balance to pay for commitments, in the form of encumbrances, established prior to, but not paid by June 30, 2006.
- (6) The appropriation of \$126,000 of Charges for Services Revenue related to the Virginia Paving Special Use Permit approved by City Council on November 28, 2006.
- (7) The appropriation of \$105,100 from the General Fund to the Special Revenue Fund for the Library and Law Library. These funds represent the 2.0 percent market rate adjustment to the General Schedule Employee's compensation, approved by City Council June 13, 2006, item #25.
- (8) The appropriation of \$333,467 of General Fund Balance designated in the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2006. These funds represent the 4.0 percent adjustment for specific public safety job classes as a result of the benchmark study. This pay adjustment has already been implemented.
- (9) The appropriation of proceeds from the City's general obligation advance refunding issue that will be used to eventually call in 2014, \$24,263,072 of the City's 2001 general obligation bonds, as well as to pay interest on the bonds until their call date in 2014. These proceeds have been placed in an escrow account and invested. On May 9, 2007, the City sold general obligation refunding bonds at a true interest cost of 3.9 percent. The City's successful refunding issue will save the City approximately \$939,000 in debt service over the life of the bonds.

FISCAL IMPACT: The nine sections of the Ordinance appropriate a total of \$41,762,506 as follows:

Section 1	Appropriation of grant revenue authorized and adjusted, but not yet appropriated in FY 2007.	\$5,799,935
Section 2	Appropriation of Capital Project Fund revenues received, but not yet appropriated.	1,524,084
Section 3	Appropriation of previously Designated General Fund Balance to finance various capital projects.	7,353,288
Section 4	Appropriation of Equipment Replacement Retained Earnings to finance expenses for vehicles.	770,000

Section 5	Reappropriation of Schools Fund Balance for commitments made prior to June 30, 2006.	1,487,560
Section 6	Appropriation of Charges for Services.	126,000
Section 7	Appropriation of Special Revenue Fund revenue authorized, but not yet appropriated.	105,100
Section 8	Appropriation of General Fund Balance.	333,467
Section 9	Appropriation of proceeds received from refunding City bonds but not yet appropriated.	24,263,072

ATTACHMENTS:

- Attachment I. Ordinance to Amend Fiscal Year 2007 Operating Budget
- Attachment II. Listing of Fiscal Year 2007 Grant Authorization and Adjustments
- Attachment III. Listing of Capital Projects Revenue

STAFF:

Mark Jinks, Deputy City Manager
 Laura B. Triggs, Acting Director of Finance
 Bruce Johnson, Director, Office of Management and Budget

1		
2	Introduction and first reading:	06/12/07
3	Public hearing:	06/16/07
4	Second reading and enactment:	06/16/07
5		

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE making provision for supplemental appropriations for the support of the government of the City of Alexandria, Virginia, for fiscal year 2007.

Summary

The proposed ordinance makes supplemental appropriations of funds for the operation of the city government in fiscal year 2007.

Sponsor

Staff

Mark Jinks, Assistant City Manager
 Laura B. Triggs, Acting Director of Finance
 Bruce Johnson, Director, Office of Management and Budget
 Ignacio B. Pessoa, City Attorney
 Roderick B. Williams, Assistant City Attorney

Authority

§ 2.02(c), Alexandria City Charter

Estimated Costs of Implementation

None

Attachments in Addition to Proposed Ordinance and its Attachments (if any)

None

ORDINANCE NO. _____

AN ORDINANCE making supplemental appropriations for the support of the government of the City of Alexandria, Virginia, for fiscal year 2007.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That the Council of the City of Alexandria, Virginia, does hereby make provision for and appropriate to the funds hereafter named the amounts hereafter stated that is required to defray certain expenditures and liabilities of the city for fiscal year 2007, the source of such amount being external grant awards for which revenues were authorized and adjusted after July 1, 2006, but not appropriated, and further that the Council does hereby allot the amount so appropriated to the several city departments for fiscal year 2007, as follows:

SPECIAL REVENUE FUND

ESTIMATED REVENUE:

Office on Women	\$(7,212)
Commonwealth Attorney	(14,326)
Fire	(230,793)
Housing	2,227,310
Mental Health/Mental Retardation/Substance Abuse	225,716
Human Service	3,428,675
Historic Alexandria	18,500
Non Departmental	<u>152,065</u>
Total Estimated Revenue	<u>\$ 5,799,935</u>

APPROPRIATION:

Office on Women	\$ (7,212)
Commonwealth Attorney	(14,326)
Fire	(230,793)
Housing	2,227,310
Mental Health/Mental Retardation/Substance Abuse	225,716
Human Services	3,428,675

1	Historic Alexandria	18,500
2	Non Departmental	<u>152,065</u>
3	Total Appropriation	<u>\$ 5,799,935</u>

4
5 **Section 2.** That the Council of the City of Alexandria, Virginia, does hereby make
6 provision for and appropriate to the fund hereafter named the amount hereafter stated that is
7 required to defray certain expenditures and liabilities of the city for fiscal year 2007, the source
8 of such amount being Capital Project Fund revenue, and further that the Council does hereby
9 allot the amount so appropriated for fiscal year 2007, as follows:

10
11 **CAPITAL PROJECTS**

12
13 **ESTIMATED REVENUE:**

14		
15	Capital Projects	<u>\$ 1,524,084</u>
16	Total Estimated Revenue	<u>\$ 1,524,084</u>

17
18 **APPROPRIATION:**

19		
20	Capital Projects	<u>\$ 1,524,084</u>
21	Total Appropriation	<u>\$ 1,524,084</u>

22
23 **Section 3.** That the Council of the City of Alexandria, Virginia, does hereby
24 authorize the transfer from the General Fund (Designated General Fund Balance) to the Capital
25 Projects Fund (Reserved Capital Project Fund Balance), and does make provision for and
26 appropriate to the latter fund, the amount hereafter stated that is required to defray certain
27 expenditures and liabilities for the city in fiscal year 2007, and further, that the Council does
28 hereby allot the amount so appropriated as follows: (i) to capital projects which are included in
29 the city's government fiscal year 2007 - 2012 capital improvement program, adopted by Council
30 April 24, 2006.

31
32 **GENERAL FUND**

33
34 **FINANCING USE:**

35		
36	Transfer Out to Capital Project Fund	<u>\$ 7,353,288</u>
37	Total Transfer Out	<u>\$ 7,353,288</u>

1 **CAPITAL PROJECT FUND**

2
3 **ESTIMATED REVENUE:**

4

5	Transfer In from General Fund	\$ 7,353,288
6	Total Financing Source	<u>\$ 7,353,288</u>

7
8 **APPROPRIATION:**

9

10	Capital Projects	\$ 7,353,288
11	Total Appropriation	<u>\$ 7,353,288</u>

12
13 **Section 4.** That the Council of the City of Alexandria, Virginia, does hereby make
14 provision for and appropriate to the fund hereafter stated the amount hereafter stated that are
15 required to defray certain expenditures and liabilities of the city in fiscal year 2007, the source of
16 such amount being Equipment Replacement Retained Earnings, and further, that the Council
17 does hereby allot the amount so appropriated to the various city departments for fiscal year 2007,
18 as follows:

19
20 **EQUIPMENT REPLACEMENT FUND**

21
22 **APPROPRIATION:**

23

24	Sheriff	\$ 120,000
25	Fire	300,000
26	Recreation	<u>350,000</u>
27	Total Appropriation	<u>\$ 770,000</u>

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29 **Section 5.** That the Council of the City of Alexandria, Virginia, does hereby make
30 provision for and appropriate to the fund hereafter named the amount hereafter stated that is
31 required to defray certain expenditures of the city for fiscal year 2007, the source of such amount
32 being Component Unit - School Fund Balance, and further, that the Council does hereby allot the
33 amount so appropriated, as follows:

1 **COMPONENT UNIT**

2
3 **APPROPRIATION:**

4

5 Component Unit - Schools	\$ <u>1,487,560</u>
6 Total Appropriation	\$ <u><u>1,487,560</u></u>

7
8 **Section 6.** That the Council of the City of Alexandria, Virginia, does hereby make
9 provision for and appropriate to the fund hereafter named the amount hereafter stated that are
10 required to defray certain expenditures and liabilities of the city for fiscal year 2007, the source
11 of such amount being Charges for Services revenues and further, that the Council does hereby
12 allot the amount so appropriated for fiscal year 2007 as follows:

13
14 **SPECIAL REVENUE FUND**

15
16 **ESTIMATED REVENUE:**

17

18 Charges for Services	\$ <u>126,000</u>
19 Total Estimated Revenues	\$ <u><u>126,000</u></u>

20
21 **APPROPRIATION:**

22

23 Transportation and Environmental Services	\$ <u>126,000</u>
24 Total Appropriation	\$ <u><u>126,000</u></u>

25
26 **Section 7.** That the Council of the City of Alexandria, Virginia, does hereby make
27 provision for and appropriate to the fund hereafter named the amount hereafter stated that is
28 required to defray certain expenditures and liabilities of the city in fiscal year 2007, the source of
29 such amounts being Transfer In from General Fund, and further, that the Council does hereby
30 allot the amount so appropriated for fiscal year 2007, as follows:

1 **SPECIAL REVENUE FUND**

2
3 **ESTIMATED REVENUE:**

4		
5	Transfer In From General Fund	\$ <u>105,100</u>
6	Total Estimated Revenue	\$ <u><u>105,100</u></u>

7
8 **APPROPRIATION:**

9		
10	Law Library	\$ 1,600
11	Library	<u>103,500</u>
12	Total Appropriation	<u><u>\$105,100</u></u>

13
14 **Section 8.** That the Council of the City of Alexandria, Virginia, does hereby make
15 provision for and appropriate to the fund hereafter named the amounts hereafter stated that are
16 required to defray certain expenditures and liabilities of the city for fiscal year 2007, the source
17 of such amounts being Designated General Fund Balance, and further, that the Council does
18 hereby allot the amounts so appropriated, as follows:

19
20 **GENERAL FUND**

21
22 **ESTIMATED REVENUE:**

23		
24	Designated General Fund Balance	\$ <u>333,467</u>
25	Total Estimated Revenue	\$ <u><u>333,467</u></u>

26
27 **APPROPRIATION:**

28		
29	Fire	\$ 53,565
30	Police	<u>279,902</u>
31	Total Appropriation	<u><u>\$ 333,467</u></u>

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33 **Section 9.** That the Council of the City of Alexandria, Virginia, does hereby make
34 provision for and appropriate to the fund hereafter named the amounts hereafter stated that are
35 required to defray certain expenditures and liabilities of the city for fiscal year 2007, the source
36 of such amounts being the proceeds of refunding city bonds which are authorized but not

1 appropriated by Council, and further, that the Council does hereby allot the amounts so
2 appropriated, as follows:

3
4 **GENERAL FUND**

5
6 ESTIMATED REVENUE:

7
8 Other Financing Sources – Proceeds of Refunding Bonds \$ 24,263,072

9 Total Estimated Revenue \$ 24,263,072

10
11 APPROPRIATION:

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13 Other Financing Uses – Payment to Refunded Bond Escrow Agent \$ 24,105,018

14 Bond Issuance Costs 158,054

15 Total Appropriation \$ 24,263,072

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17 **Section 10.** That this ordinance shall become effective upon the date and time at the
18 time of its final passage.

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21 WILLIAM D. EUILLE
22 Mayor

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24 Introduction: 6/12/07
25 First Reading:
26 Publication:
27 Public Hearing:
28 Second Reading:
29 Final Passage:
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<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>COMMENTS</u>	<u>AMOUNT</u>
<u>Office on Women</u>			
V-Stop SARA	VA Department of Social Services	Actual award amount less than original budget estimate by the amount shown in the next column.	(\$32,093)
Virginia Domestic Violence Fund	VA Department of Criminal Justice	This grant was approved by City Council on November 14, 2006, item number 20.	\$24,449
Virginia Healthy Marriage and Stable Families	VA Department of Social Services	Actual award amount is more than original budget estimate by the amount shown in the next column	\$432
<u>Commonwealth's Attorney</u>			
V Stop Domestic Violence Intervention Project	VA Department of Criminal Justice Services	This entry occurs every year and corrects General Fund grant match funds budgeted in the Special Revenue Fund which the grantor does not allow. The correct grant match is budgeted in the FY 2007 Approved General Fund budget.	(\$14,326)
<u>FIRE</u>			
Federal Courthouse Earmark	U.S. Department of Justice	This earmark was obtained by Congressman Moran from Department of Justice grant programs and accepted by City Council on September 26, 2006, item number 15.	\$74,042
Urban Area Security Initiative Grant Program/Metropolitan Medical Response System	US Department of Homeland Security	The original grant award amount was redistributed among local jurisdictions based on programs and priorities and Alexandria's portion of \$540,000 was reduced to \$144,796	(\$395,204)

Supplemental Appropriations Ordinance
 Listing of Fiscal Year 2007 City of Alexandria Grant Adjustments
 June 2007

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>COMMENTS</u>	<u>AMOUNT</u>
<u>FIRE, continued</u>			
Urban Area Security Initiative Grant Program/City Corps Program	US Department of Homeland Security	This grant award was approved by City Council on October 24, 2006, item number 9.	\$90,369
<u>HOUSING</u>			
Moderate Income Home Ownership	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$1,170,314
21 Housing Development	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$253,014
Non-federal Housing Program	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$849
HOME Homeownership Assistance Loans	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$42,248
HOME Rehabilitation Loans	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$75,716
Employee Homeownership Incentive Program	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$2,050
CDBG Rehabilitation 0% Loan	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$462,119
Homeownership Assistance	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$121,000

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>COMMENTS</u>	<u>AMOUNT</u>
Housing Opportunities Fund	Program Income	Actual program income more than original budget estimate by the amount in the next column.	\$100,000
<u>MH/MR/SA</u>			
Mental Health	Various Agency Sources	Actual grant awards and State block grant funding more than the original budget estimate by the amount shown in the next column.	\$193,523
Mental Retardation	Various Agency Sources	Actual grant awards and State block grant funding more than the original budget estimate by the amount shown in the next column.	\$8,673
Substance Abuse	Various Agency Sources	Actual grant awards and State block grant funding more than the original budget estimate by the amount shown in the next column.	\$23,520
<u>HUMAN SERVICES</u>			
Title V Older Worker Program	VA Department on Aging	Actual award less than original budget estimate by the amount shown in the next column. Reflects the fair share equitable distribution State allocation.	(\$114,058)
Workforce Investment Act (WIA) - Adult	VA Employment Commission	Actual award less than original budget estimate by the amount shown in the next column.	(\$5,501)
WIA Youth In-School	VA Employment Commission	Actual award less than original budget estimate by the amount shown in the next column.	\$1,653
WIA Youth Out-of-School	VA Employment Commission	Actual award less than original budget estimate by the amount shown in the next column.	\$1,356
Dislocated Worker	VA Employment Commission	Actual award less than original budget estimate by the amount shown in the next column.	\$5,394

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<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>COMMENTS</u>	<u>AMOUNT</u>
WIA Admin	VA Employment Commission	Actual award less than original budget estimate by the amount shown in the next column.	\$2,865
VIEW	VA Department of Social Services	Actual award less than original budget estimate by the amount shown in the next column. Reflects actual State allocation formula.	\$50,118
Food Stamp Employment Training Program	VA Department of Social Services	Actual award less than original budget estimate by the amount shown in the next column.	(\$9,025)
TANF Employment Advancement	VA Department of Social Services	Actual award less than original budget estimate by the amount shown in the next column.	(\$19,891)
Alexandria Head Start	US Department of Health and Human Services	Actual award less than original budget estimate by the amount shown in the next column.	(\$17,439)
Transportation - General Assembly	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column	\$2,310
Homeless Intervention Grant	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column	\$20,999
Shelter Support Grant	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column	\$17,906
CSBG Basic	VA Department of Social Services	Actual award less than original budget estimate by the amount shown in the next column.	(\$4,233)
CSBG Supplemental	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column.	\$19,732
Federal Shelter Grant	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column.	\$2,710
VA Cares	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column.	\$10,215

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>COMMENTS</u>	<u>AMOUNT</u>
Welfare Adoption Subsidy	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column.	\$409,702
Welfare Special Needs Adoption	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column.	\$176,552
Adult Protective Services	VA Department of Social Services	Actual award more than original budget estimate by the amount shown in the next column.	\$4,800
ACPMT - Comprehensive Services Act		Expenditures exceeded budget amounts. Amount to the right reflects total increased costs of which \$1,347,498 will be funded by the State and \$1,525,016 will be funded by the City.	\$2,872,510
<u>HISTORIC ALEXANDRIA</u>			
Fort Ward Improvement	Virginia Department of Historic Resources	This revenue was requested in the City's 2006 Legislative Package.	\$18,500
<u>NON-DEPARTMENTAL</u>			
Flooding Reimbursement	Federal Emergency Management Agency and Virginia Department of Emergency Management	Establishes budget authority for expenditures and revenues to date for reimbursements provided by FEMA for the June 2006 flood event.	\$152,065
TOTAL GRANT ADJUSTMENTS			<u>\$5,799,935</u>

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Supplemental Appropriations Ordinance
Listing of Fiscal Year 2007 City of Alexandria Capital Improvement Program Adjustments
June 2007

<u>DEPARTMENT</u>	<u>COMMENTS</u>	<u>AMOUNT</u>
<u>TRANSPORTATION AND ENVIRONMENTAL SERVICES</u>		
Ornamental Trash Cans	Ornamental trash cans purchased per Special Use Permit Requirements	\$14,400
Contributions and payments	Various purchases and payments from businesses and developers per SUP Requirements	\$390,040
Pedestrian Access to Monroe Avenue Bridge	Transfer of money carried forward from FY 2006 from the operating budget to the Capital Improvement Program	\$300,000
<u>RECREATION</u>		
Eisenhower Trail Grant	Transfer of grant funding from the operating budget to the Capital Improvement Program	\$667,644
<u>INFORMATION TECHNOLOGY SERVICES</u>		
Maintenance Management System	Transfer of money carried forward from FY 2006 from the operating budget to the Capital Improvement Program	\$152,000
	Total Capital Improvement Program Adjustments	\$1,524,084

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