


City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 29, 2007

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: APPROPRIATION ORDINANCE FOR FISCAL YEAR 2008

ISSUE: Consideration of an Appropriation Ordinance to make appropriations for the support of the government of the City of Alexandria, Virginia for the Fiscal Year (FY) 2008.

RECOMMENDATION: That City Council pass the Ordinance on first reading and schedule it for public hearing, second reading, and final passage on Saturday, June 16, 2007.

DISCUSSION: On May 7, 2007, City Council approved the FY 2008 General Fund Budget and adopted an ordinance setting the City's real property and personal property tax rate for calendar year (CY) 2007. In accordance with sections 6.07 and 6.14 of the City Charter, an ordinance is also annually required to appropriate the Approved Operating and Capital Budgets. This ordinance contains the appropriation of the adopted operating budget, the reappropriation of expected encumbrances; and an appropriation from the Special Revenue Fund for new grants.

ADOPTED OPERATING BUDGET: Sections 1 - 9 of the attached Appropriations Ordinance legally established the revenues and expenditures of the FY 2008 budget. As detailed in section 7 of the attached ordinance, a significant portion of the General Fund's revenues are transferred to other funds and component units, principally to finance operations of the Alexandria City Public Schools. The total expenditure appropriation must be reduced by the amount of these transfers (referred to as "Interfund Transfers") to eliminate double counting and accurately reflect the aggregate expenditure appropriations.

REAPPROPRIATION OF PROJECTED ENCUMBRANCES: Section 10 of the attached proposed appropriation ordinance reappropriates monies authorized and expected to be obligated in FY 2007 but not expected to be expended as of June 30, 2007. 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. As a new practice in FY 2006, encumbrances are now authorized based on estimates of preliminary encumbrances. This allows appropriation authority to be posted to departmental accounts prior to the actual fall re-appropriation ordinance. The actual encumbrance amount that is carried over

from FY 2007 into FY 2008 may be lower or higher than this amount. The final encumbrance amount that is carried over into FY 2008 will be adjusted to reflect actual encumbrances.

FISCAL IMPACT: This Ordinance authorizes the receipt and expenditure of \$689,376,408 for FY 2008 in the following funds (\$680,221,408 in sections 1 - 9 and \$9,155,000 in section 10):

Section 1 to Section 9

General Fund	\$ 519,494,732
Special Revenue Fund	80,044,739
Housing Special Revenue Fund	5,615,527
Sewer Special Revenue Fund	7,350,000
Capital Projects Fund	65,825,350
Equipment Replacement Internal Service Fund	5,385,142
Schools	205,470,549
Library	7,527,883
Alexandria Transit Company	10,785,435
Less: Interfund Transfers	<u>(227,577,934)</u>
Total	<u>\$ 680,221,408</u>

The amounts listed for the Alexandria Transit Company, the Schools, and the Library represent their total budgets, including the City's General Fund appropriation to each agency and any fee revenue (such as farebox revenue for the Alexandria Transit Company), grants, State aid or other revenues that are part of the total budgets. By the City Charter, Council must appropriate all monies, including those for the Alexandria Transit Company, irrespective of the source. The "Less: Interfund Transfers" line backs out dollars counted both in the General Fund and Sewer Fund amount and each of the agency budgets for the City's appropriation to these individual agencies.

Section 10

Section 10 Reappropriation of monies encumbered as of June 30, 2007	\$ 9,155,000
Total	<u>\$ 9,155,000</u>

ATTACHMENT: Appropriation Ordinance

STAFF:

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

Introduction and first reading: 06/12/07
Public hearing: 06/16/07
Second reading and enactment: 06/16/07

INFORMATION ON PROPOSED ORDINANCE

Title

AN ORDINANCE making provision for the support of the government of the City of Alexandria, Virginia, for fiscal year 2008.

Summary

The proposed ordinance appropriates funds for the operation of the city government in fiscal year 2008.

Sponsor

Laura B. Triggs, Acting Director of Finance

Staff

Laura B. Triggs, Acting Director of Finance
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 appropriations for the support of the government of the City of Alexandria, Virginia, for fiscal year 2008.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That, pursuant to section 6.07 of the city charter, the sum of \$680,221,408 be, and the same hereby is, appropriated for the support of the government of the City of Alexandria in the fiscal year beginning on the first day of July 2007 and ending on the thirtieth day of June 2008.

Section 2. That, pursuant to section 6.07 of the city charter, the sum of \$680,221,408 appropriated in section 1 of this ordinance for the support of the government of the City of Alexandria in the fiscal year beginning on the first day of July 2007 and ending on the thirtieth day of June 2008 be, and the same hereby is, further appropriated to the following city departments, major operating units, component units and major categories of expenditures in the amounts set forth below:

<u>Department/Unit/Component Unit/ Category of Expenditure</u>	<u>Appropriation</u>
18 th Circuit Court	\$ 1,313,294
18 th General District Court	78,572
18 th Juvenile Court	34,327
Citizens Assistance	731,147
City Attorney	3,257,747
City Clerk and Clerk of Council	398,316
City Council	559,524
City Manager	2,131,881
Clerk of Court	1,605,395
Commonwealth's Attorney	2,892,437
Contingent Reserves	375,000
Court Services Unit	1,490,152
Economic Development	2,855,144
Finance	9,548,274
Fire	39,945,844
General Debt Service	30,807,105
General Service	12,694,087
Health	6,852,439
Human Rights	676,800
Human Services	51,083,330

1	Human Services Contributions	2,324,880
2	Information Technology Services	8,166,636
3	Internal Audit	232,632
4	Law Library	149,455
5	Mental Health/Mental Retardation/Substance Abuse	29,684,170
6	Non-Departmental	9,620,447
7	Office of Historical Alexandria	3,089,242
8	Office of Housing	5,615,527
9	Office of Management and Budget	1,193,832
10	Office on Women	1,821,678
11	Other Correctional Activities	5,615,527
12	Other Educational Activities	12,399
13	Other Health Activities	998,600
14	Personnel	3,377,739
15	Planning & Zoning	5,737,228
16	Police	51,551,689
17	Real Estate Assessments	1,533,253
18	Recreation, Parks & Cultural Activities	20,537,218
19	Registrar of Voters	1,060,361
20	Sheriff	25,845,613
21	Transit Subsidies	18,629,930
22	Transportation and Environmental Services	30,074,812
23	Capital Projects	66,125,350
24	Component Unit-Library	7,527,883
25	Component Unit-Schools	205,470,549
26	Internal Services	<u>5,385,142</u>
27	TOTAL APPROPRIATIONS	<u>\$ 680,221,408</u>

28
29 **Section 3.** That, pursuant to section 6.07 of the city charter, the sum of \$680,221,408
30 appropriated in section 1 of this ordinance for the support of the City of Alexandria in the fiscal
31 year beginning on the first day of July 2007 and ending on the thirtieth day of June 2008 be, and
32 the same hereby is, further appropriated to the following principal objects of city expenditures:
33

<u>Object of Expenditures</u>	<u>Appropriation</u>
35 Personnel Service	\$ 225,042,755
36 Non-Personnel Services	159,810,733

1	Capital Outlay	73,561
2	Component Unit-Library	7,527,883
3	Component Unit-Schools	205,470,549
4	Component Unit-Alexandria Transit Company	10,785,436
5	Equipment Replacement	5,385,142
6	Capital Projects	<u>66,125,350</u>
7	TOTAL APPROPRIATIONS	<u>\$ 680,221,408</u>

8
9 **Section 4.** That the sum of \$680,221,408 appropriated in section 1 of this ordinance for
10 the support of the government of the City of Alexandria in the fiscal year beginning on the first
11 day of July 2007 and ending on the thirtieth day of June 2008 is estimated to be derived from the
12 following sources of revenue:
13

14	<u>Source of Revenue</u>	<u>Amount</u>
16	General Property Taxes	\$ 315,934,367
17	Other Local Taxes	115,930,000
18	Permits, Fees and Licenses	7,551,959
19	Fines and Forfeitures	4,722,300
20	Intergovernmental Revenue	132,208,103
21	Charges for Services	31,829,003
22	Revenue from Use of Money and Property	12,314,635
23	Miscellaneous Revenue	4,745,446
24	Bond Proceeds - Future Sale	40,890,000
25	Unreserved Fund Balance - General Fund:	
27	Subsequent Year's Budget as Designated	4,677,727
28	Unreserved Fund Balance - Capital Projects Fund:	
30	Subsequent Year's Budget	1,172,131
31	Schools' Fund Balance	4,471,367
32	Retained Earnings - Internal Services	<u>3,774,370</u>
33	TOTAL ESTIMATED REVENUE	<u>\$ 680,221,408</u>

34
35 **Section 5.** That, pursuant to section 6.14 of the city charter, the sum of \$66,125,370 be,
36 and the same hereby is, appropriated for capital improvement project expenditures of the City of
37 Alexandria and the Alexandria City Public Schools in the fiscal year beginning on the first day of
38 July 2007 and ending on the thirtieth day of June 2008. This sum, which consists of the
39 \$66,125,350 appropriated as Capital Projects in section 2 of this ordinance, is appropriated as
40 follows: (i) \$48,000,552 to capital projects which are included in the city's government fiscal
41 year 2008 - 2012 capital improvement program adopted by City Council on May 7, 2007,

1 \$16,249,275 to the capital projects identified in the Alexandria City Public Schools' capital
 2 budget approved by the school board on January 4, 2007 and (iii) \$1,875,523 for the Open Space
 3 Trust Fund.
 4

5 **Section 6.** That the sum of \$66,125,350 appropriated in section 5 of this ordinance for
 6 capital improvement project expenditures of the City of Alexandria and the Alexandria City
 7 Public Schools in the fiscal year beginning on the first day of July 2007 and ending on the
 8 thirtieth day of June 2008 is estimated to be derived from the following sources of revenue:
 9

<u>Source of Revenue</u>	<u>Amount</u>
11 Transfer In from General Fund	\$ 9,765,564
12 Transfer In from Special Revenue Fund - Sewer	4,531,440
13 Bond Interest Earnings	2,710,635
14 Designated General Fund Balance	2,378,177
15 Designated Capital Projects Fund Balance	1,172,131
16 Designated School Fund Balance	2,690,000
17 Bond Premium	1,687,403
18 Bond Proceeds - Future Sale	<u>40,890,000</u>
19 TOTAL ESTIMATED REVENUE	<u>\$ 66,125,350</u>

20
 21 **Section 7.** That the sum of \$227,577,949 be, and the same hereby is, authorized to be
 22 transferred between the following funds maintained by the city, as set forth below:
 23

<u>From</u>	<u>Amount</u>	<u>To</u>	<u>Amount</u>
25 General Fund	\$ 33,461,010	Special Revenue Fund - General	\$ 33,461,010
26 Special Revenue 27 Fund - Sewer	1,301,560	General Fund	1,301,560
28 General Fund	3,632,021	Special Revenue Fund - Affordable Housing	3,632,021
29 Special Revenue 30 Fund - Sewer	4,531,440	Capital Projects	4,531,440
31 General Fund	9,765,564	Capital Projects Fund	9,765,564
32 General Fund	160,239,697	Component Unit-Schools	160,239,697

1	General Fund	7,525,435	Component Unit-Alexandria Transit Company	7,525,435
2	General Fund	<u>7,121,222</u>	Component Unit-Library	<u>7,121,222</u>
3	TOTALS	<u>\$ 227,577,949</u>	TOTALS	<u>\$ 227,577,949</u>

4
5 **Section 8.** That the sum of \$680,221,408 appropriated in section 1 of this ordinance for
6 the support of the government of the City of Alexandria in the fiscal year beginning on the first
7 day of July 2007 and ending on the thirtieth day of June 2008 is, for accounting purposes and in
8 accordance with generally accepted accounting principles, attributed, for each city department,
9 major operating unit, component unit and major category of expenditure, to the funds maintained
10 by the city as shown in Table I on the following page of this ordinance.

11
12 **Section 9.** That the sum of \$680,221,408 appropriated in section 1 of this ordinance for
13 the support of the government of the City of Alexandria in the fiscal year beginning on the first
14 day of July 2007 and ending on the thirtieth day of June 2008 is, for accounting purposes and in
15 accordance with generally accepted accounting principles, attributed, for each major source of
16 revenue, to the funds maintained by the city as shown in Table II on the following page of this
17 ordinance.

18
19 **Section 10.** That the Council of the City of Alexandria, Virginia, does hereby make
20 provision for and appropriation to the funds hereafter named the amounts required to defray the
21 expenditures and liabilities of the city for which commitments were established in the form of
22 encumbrances or otherwise on or before June 30, 2007, but which are payable in fiscal year 2008,
23 and for which amounts were appropriated but not expended in fiscal year 2007, and further that
24 the council does hereby allot the amounts so appropriated to the several city departments for
25 fiscal year 2008, as follows:

26
27 **GENERAL FUND**

29	Office on Women	\$	37,000
30	Citizen Assistance		16,000
31	Office of Management and Budget		22,000
32	Commonwealth's Attorney		36,000
33	Sheriff		507,000
34	Other Correctional Activities		23,000
35	Human Rights		2,000
36	Internal Audit		1,000
37	Information and Technology Services		671,000
38	Finance		989,000

8

TABLE I

Department	General Fund	Housing Special Revenue Fund	Other Special Revenue Fund	Sewer Fund	Capital Projects	Internal Service Fund: Equipment Replacement	Component Units			Total
							Schools	Library	Alexandria Transit Co.	
18th Circuit Court	\$ 1,313,294	\$	\$	\$		\$	\$	\$	\$	1,313,294
18th General District Court	78,571									78,571
18th Juvenile Court	34,327									34,327
Citizens Assistance	725,649		5,498							731,147
City Attorney	3,257,747									3,257,747
City Clerk and Clerk of the Council	398,316									398,316
City Council	528,317									528,317
City Manager	2,131,881									2,131,881
Clerk of Courts	1,605,395									1,605,395
Commonwealth's Attorney	2,645,719		246,718							2,892,437
Contingent Reserves	375,000									375,000
Court Services Unit	1,220,275		269,877							1,490,152
Economic Development	2,855,144									2,855,144
Finance	9,548,274									9,548,274
Fire	37,220,954		2,724,890							39,945,844
General Debt Service	30,807,105									30,807,105
General Services	12,553,600		140,487							12,694,087
Health	6,852,439									6,852,439
Human Rights	633,950		42,850							676,800
Human Services	9,008,146		42,075,184							51,083,330
Human Services Contributions	2,324,880									2,324,880
Information Technology Services	8,166,636									8,166,636
Internal Audit	232,632									232,632
Law Library			149,455							149,455
Mental Health/Mental Retardation/ Substance Abuse	521,650		29,162,520							29,684,170
Non-Departmental	8,620,447		1,000,000							9,620,447
Office of Historic Alexandria	2,831,451		257,791							3,089,242
Office of Housing		5,615,527								5,615,527
Office of Management and Budget	1,193,832									1,193,832
Office on Women	1,428,688		392,990							1,821,678
Other Correctional Activities	4,956,539		198,999							5,155,538
Other Educational Activities	12,399									12,399
Other Health Services	998,600									998,600
Personnel	3,371,739		6,000							3,377,739
Planning and Zoning	5,054,005		683,221							5,737,226
Police	51,378,889		172,800							51,551,689
Real Estate Assessments	1,533,253									1,533,253
Recreation and Cultural Activities	20,032,903		504,315							20,537,218
Registrar of Voters	1,060,361									1,060,361
Sheriff	25,081,653		763,960							25,845,613
Transit Subsidies	7,844,495							10,785,435		18,629,930
Transportation and Environmental Services	27,310,628		1,247,184	1,517,000						30,074,812
Capital Improvement					66,125,350					66,125,350
Component Unit - Library							7,527,883			7,527,883
Component Unit - Schools							205,470,549			205,470,549
Internal Service						5,385,142				5,385,142
TOTAL	\$ 297,749,783	\$ 5,615,527	80,044,739	\$ 1,517,000	66,125,350	\$ 5,385,142	\$ 205,470,549	\$ 7,527,883	\$ 10,785,435	\$ 680,221,408

10

TABLE II

Source of Revenue	General Fund	Housing Special Revenue Fund	Other Special Revenue Fund	Sewer Fund	Capital Projects	Internal Service Fund: Equipment Replacement	Component Units			Total
							Schools	Library	Alexandria Transit Co.	
General Property Taxes	\$ 315,934,367	\$	\$	\$	\$	\$	\$	\$	\$ 315,934,367	
Other Local Taxes	115,930,000								115,930,000	
Permits, Privilege Fees and Licenses	5,356,000		2,195,959						7,551,959	
Fines and Forfeitures	4,722,300								4,722,300	
Intergovernmental Revenue	53,156,334	1,977,506	36,224,812				40,637,035	212,416	132,208,103	
Charges for Services	11,270,072		6,125,524	7,350,000		1,610,772	2,018,390	194,245	31,829,003	
Revenue from Use of Money and Property	9,570,000		6,000		2,710,635		28,000		12,314,635	
Miscellaneous Revenue	254,549	6,000	2,031,434		1,687,403		766,060		4,745,446	
Bond Proceeds					40,890,000				40,890,000	
Unreserved Fund Balance - General Fund	1,999,550				2,678,177				4,677,727	
Capital Projects Fund					1,172,131				1,172,131	
Schools-General Fund					2,690,000		1,781,367		4,471,367	
Retained Earnings - Internal Service Fund						3,774,370			3,774,370	
TOTAL	\$ 518,193,172	\$ 1,983,506	\$ 46,583,729	\$ 7,350,000	51,828,346	5,385,142	\$ 45,230,852	\$ 406,661	\$ 3,260,000	\$ 680,221,408