

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 21, 2007

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: CONSIDERATION OF A TRANSFER RESOLUTION - FY 2007 GENERAL FUND OPERATING BUDGET

ISSUE: Transfer Resolution -- FY 2007 General Fund Operating Budget.

RECOMMENDATION: That City Council adopt the attached resolution which transfers \$4,064,000 in budgeted funds to eight departmental accounts from seventeen 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. These transfers represent less than one percent of the FY 2007 General Fund budget. The transfers, in the amount of \$4,064,000, are recommended to accomplish the following:

To adjust various departmental accounts (\$2,491,000) and the non-departmental budget (\$1,573,000) for a total of \$4,064,000, for the following:

- General Services (\$570,000): for City fleet vehicle fuel cost increases (\$231,000) and utilities (\$339,000).
- Department of Human Services (\$1,500,000): including the previously projected¹ grant shortfall (\$1,000,000) previously appropriated to the Non-departmental budget. Additional shortfalls were driven by the mandated Community Services Act (CSA) expenses that represent the required local match (54 %) to State grant funds (46 %) as expenditures have increased due to an increased number of higher cost children served, as well as the change in federal Title IV-E regulations
- Finance (\$116,000): for consulting costs related to pensions and purchasing.
- Fire Department (\$250,000): for personnel costs;
- City Attorney's Office (\$1,500,000): for outside legal counsel;
- Personnel (\$107,000): for personnel costs (\$33,000), fees for professional services (\$30,000) and increased costs associated with the annual employee service awards program (\$44,000).
- General District Court (\$7,000): to fund additional fees for professional services; and,
- Law Library (\$14,000): to fund miscellaneous non-personnel costs.

¹ The November 2006 Supplemental Appropriations Ordinance appropriated \$1.0 million to the Non-Departmental budget for federal grant shortfalls. This potential shortfall had been anticipated in the original FY 2007 budget when City Council agreed to designate \$1.0 million for potential federal grant shortfalls in Fund Balance.

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 2007 Transfer Resolution

STAFF:

Bruce Johnson, Director, Office of Management and Budget

Laura Triggs, Deputy Director/Comptroller, Finance/Accounting

Ray Welch, Financial Reporting Supervisor, Finance/Accounting

Kendel Taylor, Senior Budget/Management Analyst, Office of Management and Budget

Paul Doku, Budget/Management Analyst, Office of Management and Budget

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:

Non-Departmental	\$1,573,000
City Manager's Office	250,000
Health	170,000
Transportation and Environmental Services	200,000
Planning and Zoning	500,000
Office On Women	100,000
Housing	71,000
Mental Health/Mental Retardation/Substance Abuse	500,000
Police	120,000
Commonwealth Attorney's Office	100,000
City Council	30,000
Library	110,000
Historic Alexandria	100,000
Court Services Unit	110,000
18 th Circuit Court	60,000
Clerk of Courts	30,000
Management and Budget	<u>40,000</u>
TOTAL:	<u>\$4,064,000</u>

TRANSFER APPROPRIATIONS TO:

Human Services	\$1,500,000
City Attorney	1,500,000
General Services	570,000
Fire	250,000
Finance	116,000
Personnel	107,000
Law Library	14,000
General District	<u>7,000</u>
TOTAL:	<u>\$4,064,000</u>

ADOPTED: June 26, 2007

WILLIAM D. EUILLE, MAYOR

ATTEST:

JACQUELINE M. HENDERSON, CITY CLERK

RESOLUTION NO. 2241

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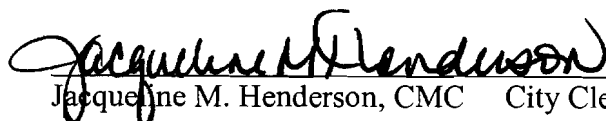
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WILLIAM D. EUILLE MAYOR

ATTEST:



Jacqueline M. Henderson, CMC City Clerk