

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 3, 2007
TO: THE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: JAMES HARTMANN, CITY MANAGER
SUBJECT: BUDGET MEMO # 32 TECHNICAL ADJUSTMENTS TO FY 2008 PROPOSED GENERAL FUND EXPENDITURES

This memorandum provides information on technical adjustments and corrections to the FY 2008 Proposed Operating and Capital Improvement Program budgets.

Table with 2 columns: Department, Change in General Fund Expenditures. Rows include Animal Welfare League, Commonwealth's Attorney, Other Public Safety, Health, Court Service Unit, Cash Capital, and Total.

Operating Budget

- The majority of the changes reflect the increase in State revenue resulting from the General Assembly-approved cost of living increase for State employees from 3 percent to 4 percent, effective December 1, 2007.
The increase to the Animal Welfare League reflects an inflationary adjustment to the contract that was not included in the City Manager's Proposed Budget.
The decrease in the Health Department funding reflects withdrawal of a supplemental request to provide a half a year of funding for the HCAP Director position that is no longer needed due to the resignation of the incumbent.

- The decrease for the Commonwealth's Attorney is for largely grant-funded programs and reflects both the State cost of living adjustment (\$7,663) and additional Victim-Witness funding (\$19,254) from the State than was anticipated in the Proposed Budget.
- Cash Capital is decreasing by \$15,000. See below for the detailed changes to the CIP.

The net effect of these adjustments is a reduction in the General Fund budget of \$62,363. It should be noted that an additional technical adjustment will be needed for the Comprehensive Services Act once 2<sup>nd</sup> Quarter expenditures (January through March) are analyzed. As described at the Budget Work Session of March 29, 2007, this adjustment may be substantial.

#### Capital Improvement Program

- The Flood of 2006 Restoration Project is proposed to be decreased by \$177,000, resulting in a new FY 2008 budgeted amount of \$453,000. This project provides funding for long-term flood cleanup and prevention issues, identified after the flood events of June/July 2006. The City has received previously unbudgeted reimbursement funds in the amount of \$177,000 from FEMA, which will be used to fund this project.
- The Athletic Fields project is proposed to be increased by \$162,000, resulting in a new FY 2008 budgeted amount of \$1,012,000. The Recreation Department (RPCA) recently received bids for the installation of artificial turf at the Minnie Howard field, which is planned for FY 2007. These bids were significantly higher than available FY 2007 funds. In order to move forward with this project, RPCA has requested to temporarily transfer \$162,000 from FY 2007 funds intended for the Four Mile Run Field Improvement project, which has been delayed. As a result, funding for the Four Mile Run Field Improvement project will need to be replenished in FY 2008.

The net effect in FY 2008 of these changes is a decrease of \$15,000 in required cash capital funding, resulting in a new FY 2008 cash capital amount of \$6,990,041. The new FY 2008 total CIP budget is \$64,925,350.