

EXHIBIT NO. 1

City of Alexandria, Virginia

MEMORANDUM

~~14~~  
~~2-11-03~~  
12  
2-22-03

DATE: FEBRUARY 5, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER <sup>PS</sup>

SUBJECT: ORDINANCE AMENDING THE CITY COUNCIL RESOLUTION THAT ESTABLISHED THE BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE

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**ISSUE:** Limitations on the members of the City's Budget and Fiscal Affairs Advisory Committee (BFAAC).

**RECOMMENDATION:** That City Council rescind Resolution No. 1464, pass the ordinance on first reading and schedule it for public hearing, second reading, and final passage on Saturday, February 22, 2003 (Attachment 1).

**DISCUSSION:** City Council Resolution No. 1464 (Attachment 2), which established the Budget and Fiscal Affairs Advisory Committee (BFAAC) in 1990, established qualifications and limitations on all members of BFAAC including the following conflict of interest limitation:

“(c) not (i) be a member of any other Board or Commission having one or more members appointed by the City Council, (ii) be an officer or director of any organization that received appropriations or grants by or through the City of Alexandria, or (iii) an employee of the City, the School Board, or the Alexandria Chamber of Commerce, or any agency thereof”

Over the last year the situation has arisen where BFAAC members have joined boards of non-profit organizations which receive appropriations or grants from the City, or have previously been members of the boards of non-profit organizations prior to joining BFAAC. Members of BFAAC have expressed their interest that the provision which prohibits BFAAC members from serving on the boards of organizations receiving City appropriations or grants be eliminated. The desired avoidance of a conflict of interest (which was the intent of the original limitation) can be achieved, but in a different manner. Also having BFAAC members on boards can bring a more varied experience and perspective to BFAAC deliberations. It should be noted that no other purely advisory body to City Council has this specific limitation.

In the place of the original conflict of interest limitation, it is recommended that the BFAAC members be required to declare to BFAAC their membership on any organization's board or their status as an officer of an organization and that such BFAAC members "abstain from discussing, participating or voting on any matter before the committee, that directly relates to any appropriation or grant made or awarded by or through the city to the entity or organization of which the member is an officer or director."

While the City Council action that created BFAAC was accomplished by resolution, it is now City Council's practice to establish committees by ordinance. The new ordinance has been prepared using nearly the same text as the existing BFAAC resolution, with the exception of deleting (4) (c) (ii), adding the new conflict of interest language, and adding or deleting language related to the format now used in the City Code in establishing boards or committees.

**ATTACHMENTS:**

1. Ordinance Amending the Limitations on the Budget and Fiscal Affairs Advisory Committee
2. Resolution No. 1464, which established the Budget and Fiscal Affairs Advisory Committee in 1990

**STAFF:**

Mark Jinks, Assistant City Manager

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~~2-11-03~~

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 2-22-03

Introduction and first reading:	2/11/03
Public hearing:	2/22/03
Second reading and enactment:	2/22/03

### INFORMATION ON PROPOSED ORDINANCE

#### Title

AN ORDINANCE to amend Chapter 4 (COMMITTEES, BOARDS AND COMMISSIONS), of Title 2 (GENERAL GOVERNMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended, by adding thereto a new Article R (BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE).

#### Summary

The proposed ordinance establishes the Budget and Fiscal Affairs Advisory Committee, previously established by Resolution No. 1464 in 1990, as a standing committee established by ordinance. In addition, the proposed ordinance changes current law to permit a member of the committee to serve as an officer or director of an organization which receives City funding, provided that the member does not participate in any way in committee business which relates to that organization. Presently, an officer or director of such an organization is prohibited from serving on the committee. The ordinance makes no other changes to the membership or functions of the committee.

#### Sponsor

#### Staff

Mark Jinks, Assistant City Manager  
 Ignacio B. Pessoa, City Attorney

#### Authority

§ 3.04(g), Alexandria City Charter

#### Estimated Costs of Implementation

None

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

None

12  
2-22-03

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE to amend Chapter 4 (COMMITTEES, BOARDS AND COMMISSIONS), of Title 2 (GENERAL GOVERNMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended, by adding thereto a new Article R (BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE).

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Chapter 4 of Title 2 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same is hereby, amended by adding thereto a new Article R to read as follows:

[The following is all new language.]

ARTICLE R

Budget and Fiscal Affairs Advisory Committee

Sec. 2-4-130 Creation, composition, organization and term.

(a) The Budget and Fiscal Affairs Advisory Committee initially established by Resolution No. 1464, is hereby established by ordinance and designated as a standing committee known as the Budget and Fiscal Affairs Advisory Committee.

(b) The members of the committee shall be appointed by the City Council as follows:

- (1) seven members, one each of whom shall be designated by the mayor and members of city council;
- (2) three members appointed at-large in accordance with the provisions of section 2-4-7 of this code;
- (3) one member designated by the Alexandria School Board; and
- (4) two members designated by the Alexandria Chamber of Commerce.

(c) The members designated by the mayor and members of city council, the school board, or the chamber of commerce shall serve at the pleasure of the mayor, member of council, school board or chamber of commerce designating such person, and any vacancies in such positions shall be filled in the same manner as the original appointment. Members appointed at large shall serve for a term of two years, and vacancies and reappointments shall be handled in the manner prescribed in section 2-4-7 of this code.

(d) All members of the committee shall:

- (1) by virtue of their education and employment in the public or private sector, have demonstrated competence in one or more of the following areas: accounting, financial analysis, budget and fiscal management, public finance, or urban economics;
- (2) be residents of and residing in the City of Alexandria at the time of appointment and continue to do so during the term of their appointment. The provisions of section 2-4-7(d) notwithstanding, this provision may not be waived; and
- (3) not be (i) a member of any other board or commission having one or more members appointed by the city council, or (ii) an employee of the city, the school board, the Alexandria Chamber of Commerce, or any agency of any such entity or organization.
- (4) declare to the committee their position as an officer or director of any entity or organization, and abstain from discussing, participating or voting on any matter before the committee, that directly relates to any appropriation or grant made or awarded by or through the city to the entity or organization of which the member is an officer or director.

Sec. 2-4-131 Functions, powers and duties; staff assistance.

(a) The functions, powers and duties of the committee shall be to advise and support the city council as to:

- (1) an examination of the city's budget procedures and process and ways of improving such procedures and process, including participation by the public therein;
- (2) the forecasting of future revenue and expenditure requirements and the effect on the several taxes and fees levied by the city and burden of taxation imposed on Alexandria citizens and business organizations;
- (3) an evaluation of the comparative tax, revenue and expenditure levels in Alexandria with those in neighboring jurisdictions and the effect of such differences on the ability of Alexandria to attract new residents and economic development; and
- (4) such other tasks as may be requested by the city council.

(b) Except as expressly provided in this article, the committee may adopt rules and regulations in regard to procedure and other matters for the conduct of its business, so long as the same are not inconsistent with the city code, including, but not limited to, the establishment of committees through which it may carry on its functions, duties and purpose.

(c) Subject to the availability of funds and staff, and recognizing that the city manager must give priority attention to requests from the city council, the city manager is authorized to provide such staff or other assistance to the committee as requested, and to make such information available to the committee as is available to the public generally.

Section 2. That no provision of this ordinance shall be deemed to affect the appointments or terms of the members of the Budget and Fiscal Affairs Advisory Committee in office on the effective date hereof.

Section 3. That Resolution No. 1464 be, and the same hereby is, rescinded.

Section 4. That this ordinance shall become effective upon the date and at the time of its final passage.

KERRY J. DONLEY  
Mayor

Introduction:	2/11/03
First Reading:	2/11/03
Publication:	2/13/03
Public Hearing:	2/22/03
Second Reading:	2/22/03
Final Passage:	

Having considered the need, purpose, and function of a body composed by citizens of Alexandria to assist the City Council in budget and fiscal matters;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Alexandria that:

1. Establishment of Committee

There is established a committee to be known as The Alexandria Budget and Fiscal Affairs Advisory Committee ("Committee") which shall be composed of 13 members.

2. Membership of Committee

The members of the committee shall be appointed by the City Council as follows:

- (a) seven members one each of whom shall be designated by the Mayor and Members of the City Council;
- (b) three members appointed at-large in accordance with the provisions of section 2-4-7 of the City Code;
- (c) one member designated by the Alexandria City School Board; and
- (d) two members designated by the Alexandria Chamber of Commerce.

3. Appointments and Terms of Office

Members designated by the Mayor and Members of the City Council, the School Board, or the Alexandria Chamber of Commerce shall serve at the pleasure of the Mayor, Council Member, School Board, or Alexandria Chamber of Commerce designating such person and any vacancies in such positions shall be filled in the same manner as the original appointment. Members appointed at-large shall serve for a period of two years and vacancies and/or reappointments shall be handled in the manner prescribed in section 2-4-7 of the City Code.

4. Qualifications and Limitations

All members of the Committee shall:

- (a) by virtue of the education and employment in the public or private sector, have a demonstrated competence in one or more of the following areas: accounting, financial analysis, budget and fiscal management, public finance, or urban economics;
- (b) be residents of and residing in the City of Alexandria at the time of appointment and continue to do so during the term of their appointment. The provisions of section 2-4-7(d) notwithstanding, this provision may not be waived; and
- (c) not (i) be a member of any other Board or Commission having one or more members appointed by the City Council, (ii) be an officer or director of any organization that received appropriations or grants by or through the City of Alexandria, or (iii) an employee of the City, the School Board, or the Alexandria Chamber of Commerce, or any agency thereof.

5. POWERS and Duties

The Committee shall advise and support the City Council as to:

(a) an examination of the City's budget procedure and process and ways of improving that process, including participation by the public;

(b) the forecasting of future revenue and expenditure requirements and the effect on the several taxes and fees levied by the City and burden of taxation imposed upon Alexandria citizens and business organizations;

(c) an evaluation of the comparative tax, revenue, and expenditure levies in Alexandria with those in neighboring jurisdictions and the effect of such differences on the ability of Alexandria to attract new residents and economic development; and

(d) such other tasks as may be requested by the City Council.

6. Conduct of Meetings and Other Business

Except as expressly provided herein, the Committee shall conduct its meetings and other business in accordance with sections 2-4-4 through 2-4-6 of the City Code.

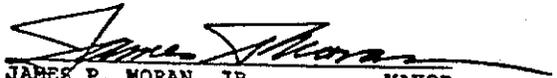
7. Relationship to the City Manager

Subject to availability of funds and staff and recognizing that the City Manager must give priority attention to requests from the City Council, the City Manager is authorized to:

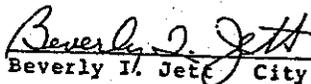
(a) provide such staff or other assistance to the Committee as may be requested; and

(b) make such information available to the Committee as is available to the public generally.

ADOPTED: June 12, 1990

  
JAMES P. MORAN, JR. MAYOR  
On behalf of the City Council  
of Alexandria, Virginia

ATTEST:

  
Beverly I. Jett City Clerk

ORDINANCE NO. 4291

AN ORDINANCE to amend Chapter 4 (COMMITTEES, BOARDS AND COMMISSIONS), of Title 2 (GENERAL GOVERNMENT) of The Code of the City of Alexandria, Virginia, 1981, as amended, by adding thereto a new Article R (BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE).

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(c)     The members designated by the mayor and members of city council, the school board, or the chamber of commerce shall serve at the pleasure of the mayor, member of council, school board or chamber of commerce designating such person, and any vacancies in such positions shall be filled in the same manner as the original appointment. Members appointed at large shall serve for a term of two years, and vacancies and reappointments shall be handled in the manner prescribed in section 2-4-7 of this code.

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  - (3) not be (i) a member of any other board or commission having one or more members appointed by the city council, or (ii) an employee of the city, the school board, the Alexandria Chamber of Commerce, or any agency of any such entity or organization.
  - (4) declare to the committee their position as an officer or director of any entity or organization, and abstain from discussing, participating or voting on any matter before the committee, that directly relates to any appropriation or grant made or awarded by or through the city to the entity or organization of which the member is an officer or director.

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(b) Except as expressly provided in this article, the committee may adopt rules and regulations in regard to procedure and other matters for the conduct of its business, so long as the same are not inconsistent with the city code, including, but not limited to, the establishment of committees through which it may carry on its functions, duties and purpose.

(c) Subject to the availability of funds and staff, and recognizing that the city manager must give priority attention to requests from the city council, the city manager is authorized to provide such staff or other assistance to the committee as requested, and to make such information available to the committee as is available to the public generally.

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KERRY J. DONLEY  
Mayor

Final Passage: February 22, 2003