

## City of Alexandria, Virginia

## MEMORANDUM

DATE: NOVEMBER 3, 2005

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: SETTING TARGETS FOR THE FY 2007 BUDGET

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**ISSUE:** Setting targets for expenditure growth for the FY 2007 City General Fund Operating Budget and for the operating budget transfer to the Alexandria City Public Schools.

**RECOMMENDATION:** That City Council adopt the proposed resolution (Attachment A) which would set a target for expenditures in the General Fund City Operating Budget, set a target for the budget transfer to the Alexandria City Public Schools for operating expenditures. The resolution includes optional language for creating alternative targets for both the City and the Schools.

**DISCUSSION:** On May 2, 2005, City Council passed Resolution 2150. That resolution provided in part:

*[Section 5] "That City Council shall, as a result of information available to it at the Retreat, direct that the City Manager prepare a budget resolution to be adopted by City Council to guide the preparation of the FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program and that such a resolution would contain (a) a target for City General Fund Expenditure growth (including cash capital and debt service), (b) a target for a budget transfer to the Alexandria City Public Schools for operating expenses and capital expenditure needs in FY 2007 to FY 2012, and (c) a calculation of the estimated difference between FY 2007 preliminary forecast revenues and the expenditure targets to be established by City Council."*

The establishment of the proper target expenditure growth rate and the corresponding taxes that are needed to balance the budget is a policy issue that ultimately is, and always has been, the City Council's responsibility to decide. What is different this year is that, under Resolution 2150, City Council has decided to give the City Manager and the School Board an indication of what options and alternatives it wishes the proposed budget to illuminate when it is presented to Council next February. City Council may then choose to approve a budget and tax rates based on the City Manager's and School Board's assessment of the impacts of meeting those targets on City and School programs, activities and capital investments.

Since the choice of expenditure targets at this stage of the process is not a final determination of the budget, but rather an indication of the range of broad policy choices that City Council wishes to consider, City staff does not have a recommendation on what specific expenditure targets to set.

A table is provided (Attachment B) that lists possible scenarios of separate expenditure targets for the City and the Schools that equal certain expenditure growth rates in the total General Fund Operating Budget. These differential rates of growth account for the somewhat different impact certain cost drivers have on the cost to maintain current services and policies in the School's budget. The Council could choose to allocate allowable expenditure growth between the City's share of the General Fund and the budget transfer to the Schools in any combination it wishes. This table also includes a preliminary assessment of the imbedded impact in each scenario on any proposed cost of living pay adjustment for both City and School employees.

Staff recommends that a separate minimum allowance for cost of living pay adjustment (COLA) for City and School staff be assumed based on whatever expenditure targets City Council sets. Staff recommends this minimum allowance be set in a range from 3% to 0%. The COLA would not be included in either the City or Schools expenditure targets, but rather set aside in a separate contingent account. A separate minimum COLA allowance is recommended because including this minimum allowance within the target for the City would obscure the fact that 41% of any COLA is for School, not City employees. However, it seems premature to decide upon an actual COLA to be included in an expenditure target for the Schools in sufficient time for the Superintendent and the School Board to use that information in deliberations on the Schools budget. The amount actually recommended for the COLA in the City Manager's proposed budget may be higher than the imbedded minimum if the City Manager determines that such funding should be recommended and derived from other sources. The City Manager will consult with the School Superintendent in making this determination. Ultimately, City Council will establish the COLA at the level of its choosing as part of its final deliberations.

In addition to setting a budget target, Council also could choose to establish an alternative target for both the City and the Schools. In that case City staff and the School Board would provide a balanced budget at each target level. Under Resolution 2150, City staff may also present to City Council the option of funding additional expenditures above the highest target, again with equivalent changes in the real estate tax rate or other tax and fees in order to keep the budget in balance.

A draft resolution is provided at Attachment A that leaves blanks for the City Council to fill in for the targets and provides optional language to establish alternative targets for the City and the Schools.

Under the attached resolution, the School Board would present its priorities to be funded within whatever target level(s) are established by City Council for the transfer of funds to the Schools, as well as present its formal request for additional funds above the target, as it deems appropriate.

**FISCAL IMPACT:** At the Council retreat held Saturday, October 29, 2005, a variety of information was presented to Council concerning the strategic plan, the budget outlook for FY 2007 for City operating expenses, debt service and cash capital payments to fund the Capital Improvement Program, and the preliminary forecast of funding needs provided by the Superintendent of the Alexandria City Public Schools. (See Attachments C and D.) This information was designed to help prepare Council for setting those targets in a way that seeks to balance City and School needs with the ability of the community to pay for them. Highlights of that presentation included:

- Preliminary estimates of City General Fund revenues featured a projected 17% increase in single family home assessments. Average condominium real estate assessments may be increasing at 22%. Preliminary estimates were that other revenues would increase approximately 5%. In total at existing tax rates, revenues would increase 12%.
- Actual real estate taxes will not increase at these rates, however, because a real estate tax rate reduction is virtually ensured to some degree depending on the target expenditure growth rates established by City Council.
- With these estimates of future revenues, tradeoffs between possible expenditure growth rates ranging from to 3.0% (scenario I) to 9.7% (scenario A) were shown to Council with corresponding increases in average residential real estate taxes of from 2.0% to 13.8%.
- The cost to maintain current operating services and policies (scenario B) would require an estimated 8.5% increase in expenditures, and a 11.5% increase in average residential real estate taxes and a 5.4 cent real estate tax rate reduction. Less than this amount would require the City Manager to propose a budget in FY 2007 that will not fund some current operating service levels and planned capital projects.
  - This estimate includes increases of \$29 million (a 6.3% increase) just to fund personnel-related cost increases including a possible 3% COLA, merit pay increases, mandatory increases in retirement charges planned to be imposed by the Virginia Retirement System (\$8.5 million), and increasing costs of the current employees' health insurance benefits.
  - Fuel and energy costs are estimated to increase by \$2.2 million.
  - Previously planned capital projects contained in the approved Capital Improvement Program would require an increase of \$12 million in principal and interest payments and pay-as-you-go financing.

- To hold the growth in residential real estate taxes at or below 10% would require some combination of the following strategies:
  - postponing discretionary program increases,
  - reducing a 3% COLA designed to keep employee salaries close to area, inflation rates,
  - cutting health insurance benefits,
  - raising other taxes or fees,
  - freezing local funding for grant supported programs where federal or state funding is falling short,
  - making targeted program/service level reductions,
  - Reducing or deferring capital projects, and
  - Increasing the issuance of bonds for capital project funding.
  
- City staff and the School Superintendent also have under review additional options for program improvements in various areas and meet strategic objectives. These increases would cost \$6 million (an additional 1.3% increase).
  
- The entire amount under consideration to meet current service levels and fulfill current policies as well as fund all requests (scenario A) would be a \$46 million or a 9.7% increase above estimated FY 2006 costs.

**ATTACHMENTS:**

Attachment A: Draft Resolution

Attachment B: Listing of Possible Expenditure Target Combinations

Attachment C: Fiscal Year 2007 Preliminary Expenditure Outlook Table

Attachment D: "Budget Outlook" Presentation Slides from October 29, 2005 Retreat

**STAFF:**

Bruce Johnson, Director, OMB

Mark Jinks, Assistant City Manager

**RESOLUTION NO. \_\_\_\_\_**

WHEREAS, the City Council of Alexandria passed Resolution 2150 on May 2, 2005 that made changes in the process to be used for formulating the FY 2007 budget; and

WHEREAS, Resolution 2150 provided that:

1. That the City Manager shall begin immediately to plan and prepare the FY 2007 Operating Budget and FY 2007 - 2012 Capital Improvement Program and that such preparations shall include, but not be limited to, requests for City departments to identify efficiencies, low priority programs not crucial to achieving City Council strategic objectives, potential discretionary supplemental increases for FY 2007 crucial to achieving City Council's strategic objectives, and potential City-wide process changes that would be beneficial to City operations and to the public.
2. That the City Manager shall present to City Council in time for the fall Council Retreat a preliminary forecast and outlook for (a) revenues (including the outlook for real estate assessments), (b) expenditures necessary to maintain appropriate services and policies (including in the City Manager's forecast of cash capital and debt service costs related to the approved FY 2006 – 2011 Capital Improvement Program), (c) the outlook for additional requests for City operating needs in FY 2007 and capital needs in FY 2007 through FY 2012, (d) the outlook for Federal and State grants, and (e) the outlook for the costs of meeting unfunded Federal and State mandates, both current mandates and projected new mandates.
3. That the Alexandria City School System shall separately present to City Council, but in a format coordinated with the City Manager, its preliminary forecast and outlook for (a) expenditures necessary to maintain appropriate services and policies, (b) the outlook for additional requests for Schools operating in FY 2007 and capital needs through FY 2007 through FY 2012, (c) the outlook for Federal and State grants, and (d) the outlook for the costs of meeting unfunded Federal and State mandates, both current mandates and projected new mandates.
4. That as part of its fall Retreat, City Council will consider this information and any other relevant information available to it at that time from the efforts described above, including citizen input to be provided by a public hearing on the FY 2007 budget to be conducted prior to City Council's fall Retreat.
5. That City Council shall, as a result of information available to it at the Retreat, direct that the City Manager prepare a budget resolution to be adopted by City Council to guide the preparation of the FY 2007 Operating Budget and FY 2007 to FY 2012 Capital

Improvement Program and that such a resolution would contain (a) a target for City General Fund expenditure growth (including cash capital and debt service), (b) a target for a budget transfer to the Alexandria City Public Schools for operating expenses and capital expenditure needs in FY 2007 to FY 2012, and (c) a calculation of the estimated difference between FY 2007 preliminary forecast revenues and the expenditure targets to be established by City Council.

6. That City Council plans to adopt such a budget resolution during the month of November 2005 (sic).
7. That the Board of the Alexandria City School Schools is requested to approve a FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program by no later than January 31, 2006. Such budget shall seek not to exceed the Council approved budget targets for the Operating Budget transfer and Capital Improvement Program given to the Alexandria City Public Schools, and clearly identify what operating programs and activities and capital projects would be funded if additional funding were provided above that target.
8. That the City Manager shall submit a proposed FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program to the City Council no later than February 14, 2006, that does not exceed the target for General Fund expenditure growth established by City Council, and clearly identifies what operating programs and activities and capital projects would be recommended if additional funding were provided, and/or what tax rate changes could be enacted with whatever additional revenues might be available above the revenues needed to meet the expenditure target and still provide a structurally sound budget.
9. That City Council shall consider these recommendations and endeavor to enact a FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program that balances the needs of the community with the community's ability to afford meeting those needs.  
And

WHEREAS, the City Council has held a public hearing on October 15, 2005 on the FY 2007 budget; and

WHEREAS, the City Manager and the Alexandria City Public Schools have presented to City Council at its October 29, 2005 retreat their preliminary forecasts of revenues, expenditures and capital needs; and

WHEREAS, the City Council is committed to managing the growth of City General Fund operating and capital expenditures in order to help address the issue of increasing residential real estate taxes; and

WHEREAS, the City Council also is committed to continuing to perform fully its obligations, to continue to provide quality services and facilities for the residents and businesses of Alexandria, to maintain competitive compensation for City and School employees, to see continuous improvement in City government effectiveness and efficiency, and to achieve the vision and strategic goals and objectives outlined in the City Council's adopted Strategic Plan; and

WHEREAS, Council's deliberations on the budget each and every year reflect a balancing of the needs of the community with the community's ability to afford meeting those needs;

**NOW, THEREFORE, BE IT RESOLVED  
BY THE CITY COUNCIL OF ALEXANDRIA**

1. That the City Manager shall submit a proposed FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program to the City Council no later than February 14, 2006, that does not exceed a target of \$ \_\_\_\_\_ million for General Fund expenditures. The target does not include the operating budget transfer to the Alexandria City Public Schools.
2. That the School Board of the Alexandria City Public Schools is requested to approve a FY 2007 Operating Budget by no later than January 31, 2006. Such budget shall seek not to exceed a target of \$ \_\_\_\_\_ million for the operating budget transfer provided to the Alexandria City Public Schools.
3. That the budget documents of the City Manager and the School Board shall clearly describe what operating programs, activities and capital projects could be funded within the target budget. In addition, the budget documents also may outline operating programs, activities, capital projects and other policy options that may exceed the target budget.
4. That the proposed cost of living pay adjustment allowance for City and Schools employees will be recommended by the City Manager after consultation with the School Superintendent.
5. That the City Manager propose a budget real estate tax rate necessary for financing the target budget, as well as provide tax, fee and other revenue options as appropriate.

*Alternative Providing for Alternative Targets*

1. *That the City Manager shall submit a proposed FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program to the City Council no later than February 14, 2006, that does not exceed a target of \$            million for General Fund expenditures as well as an alternative target of \$            million for General Fund expenditures. Neither this target nor the alternative target includes the operating budget transfer to the Alexandria City Public Schools. The targets include funds for whatever cost of living adjustment is provided to City employees.*
2. *That the School Board of the Alexandria City Public Schools is requested to approve a FY 2007 Operating Budget by no later than January 31, 2006. Such budget shall seek not to exceed a target of \$            million for the operating budget transfer provided to the Alexandria City Public Schools, as well as an alternative target of \$            million for the operating budget transfer provided to the Alexandria City Public Schools. Both the target and the alternative target for the operating budget transfer include funds for whatever cost of living adjustment is provided to School employees.*
3. *That the budget documents of the City Manager and the School Board shall clearly describe and compare the target budget and alternative target budget in regard to the details of what operating programs, activities and capital projects could be funded within one target budget and not the other target budget. In addition, the budget documents also may outline operating programs, activities, capital projects and other policy options that may exceed the target budget or the alternative target budget.*
4. *That the proposed cost of living pay adjustment allowance for City and Schools employees will be recommended by the City Manager after consultation with the School Superintendent. A different cost of living pay adjustment may be recommended by the City Manager for the alternative target budget.*
5. *That the City Manager propose a budget real estate tax rate necessary for financing the target budget, as well as provide tax, fee and other revenue options necessary for financing the alternative target budget, as appropriate.*

Attest:

\_\_\_\_\_  
Jacqueline M. Henderson, CMC, City Clerk

By \_\_\_\_\_  
William D. Euille, Mayor

Attachment B

ALTERNATIVE FY 2007 BUDGET TARGET SCENARIOS

Scenario	A	B	C	D	E	F	G	H	I
(% expenditure growth)	9.7%	8.5%	7.6%	7.1%	6.6%	6.0%	5.5%	4.9%	3.0%
City Target (\$ in M)	\$353.5	\$350.5	\$347.8	\$347.2	\$346.5	\$347.0	\$346.3	\$345.7	\$339.3
School Target (\$ in M)	\$151.8	\$148.9	\$147.8	\$147.5	\$147.2	\$147.4	\$147.1	\$146.8	\$144.1
Minimum COLA Allowance (\$ in M)	\$9.6	\$9.6	\$9.6	\$8.0	\$6.4	\$3.2	\$1.6	\$0.0	\$0.0
Total Target (may not add due to rounding)	\$514.9	\$509.0	\$505.2	\$502.6	\$500.1	\$497.6	\$495.0	\$492.5	\$483.4
City Expenditure Growth without COLA (in %)	7.0%	6.0%	5.2%	5.0%	4.8%	5.0%	4.8%	4.6%	2.6%
Schools Expenditure Growth without COLA (in %)	9.4%	7.3%	6.5%	6.3%	6.1%	6.2%	6.0%	5.8%	3.9%
Total Expenditure Growth with COLA (in %)	9.7%	8.5%	7.6%	7.1%	6.6%	6.0%	5.5%	4.9%	3.0%
Real Estate Tax Rate Reduction (in cents)	-3.6	-5.4	-6.5	-7.3	-8.1	-8.9	-9.6	-10.4	-12.7
Average Res. Real Estate Tax Inc. (in %)	13.8%	11.5%	10.0%	9.0%	8.0%	7.0%	6.0%	5.0%	2.0%
City Reductions From Prelim. Forecast	-\$5.7	-\$8.8	-\$11.4	-\$12.1	-\$12.7	-\$12.3	-\$12.9	-\$13.6	-\$20.0
Schools Reductions From Prelim. Forecast	-\$3.9	-\$6.8	-\$7.9	-\$8.2	-\$8.5	-\$8.3	-\$8.6	-\$8.8	-\$11.6
Total Reductions From Prelim. Forecast	\$0.0	-\$6.0	-\$9.7	-\$12.3	-\$14.8	-\$17.4	-\$19.9	-\$22.4	-\$31.5
Minimum COLA Assumed Under Each Scenario	3.0%	3.0%	3.0%	2.5%	2.0%	1.0%	0.5%	0.0%	0.0%

**Fiscal Year 2007  
Preliminary Expenditure Outlook**

Presented at City Council Retreat

October 29, 2005

(\$ in millions; amounts may not add due rounding)

	City Operations	Transit Subsidies	School Operations	Capital Improvement Program	Total
FY 2006 <sup>1</sup>	\$272.5	\$12.5	\$138.8	\$45.6	\$469.3
<b>Adjustments to Baseline</b>					
COLA if 3%	\$5.7		\$3.9		\$9.6
Merit Pay	\$3.5		\$3.5		\$7.0
VRS Retirement Charge	\$3.1		\$5.4		\$8.5
Health Ins.	\$2.4		\$1.9		\$4.3
Fuel and Energy	\$1.5		\$0.7		\$2.2
Existing Contracts	\$1.3				\$1.3
Reserve and Special Ed. Teachers			\$0.9		\$0.9
Rent and Facility Maintenance	\$1.2				\$1.2
Grant Match Increase	\$1.1				\$1.1
Human Services Rev. Max Grant	\$1.0				\$1.0
Operating Cost of CIP	\$0.5				\$0.5
Vehicle and Equipment	\$0.5				\$0.5
METRO and DASH and Paratransit		\$1.5			\$1.5
Debt Service Planned Increase				\$1.9	\$1.9
Cash Capital Planned Increase				\$10.0	\$10.0
Use of FY 2006 Surplus for Cash Capital				-\$10.2	-\$10.2
Other Misc. Adjustments	\$0.8		\$3.4		\$4.2
Adjustments for One Time Exp.			-\$3.7		-\$3.7
School Financing			-\$1.9		-\$1.9
Sanitary Sewer (Self-Funded)				-\$0.4	-\$0.4
<b>Total Adjustments to Baseline</b>	<b>\$22.8</b>	<b>\$1.5</b>	<b>\$14.0</b>	<b>\$1.4</b>	<b>\$39.7</b>
<b>% Increase to FY 2006 Adjusted Budget</b>	<b>8.4%</b>	<b>11.9%</b>	<b>10.1%</b>	<b>3.0%</b>	<b>8.5%</b>

<sup>1</sup>After FY 2006 Adjustments for Appropriations of Fund Balances

<b>Discretionary Program Increases</b>					
Public Safety	\$1.4				\$1.4
Transportation	\$0.3				\$0.3
Environment	\$0.9				\$0.9
Development/Redevelopment	\$0.2				\$0.2
Caring Community	\$1.7				\$1.7
Efficiency, Sustainability	\$1.4				\$1.4
Education			\$2.9		\$2.9
CIP Net Increases				\$0.8	\$0.8
Efficiency Savings/Other Reductions	-\$0.7				-\$0.7
Use of Additional FY 2006 Surplus for Cash Capital				-\$2.9	-\$2.9
<b>Total Discretionary Program Increases or Decreases</b>	<b>\$5.2</b>	<b>Unknown</b>	<b>\$2.9</b>	<b>-\$2.1</b>	<b>\$6.0</b>
<b>% Increase to FY 2006 Adjusted Budget</b>	<b>1.9%</b>	<b>Unknown</b>	<b>2.1%</b>	<b>-4.6%</b>	<b>1.3%</b>
<b>All Requests Under Consideration</b>					
<b>Total \$ Requested</b>	<b>\$28.0</b>	<b>\$1.5</b>	<b>\$16.9</b>	<b>-\$0.7</b>	<b>\$45.6</b>
<b>Total % Increase</b>	<b>10.3%</b>	<b>11.9%</b>	<b>12.2%</b>	<b>-1.6%</b>	<b>9.7%</b>



# Budget Outlook



## Council Retreat October 29, 2005

City Council Budget Retreat --  
October 29, 2005



# Introduction

- **New Process Under Resolution 2150**
- **Targets to be set by Council for FY 2007 budget**
- **Extensive information and range of choices being presented to Council**
- **Forecasts and estimates are preliminary**
- **Many forces driving the budget**



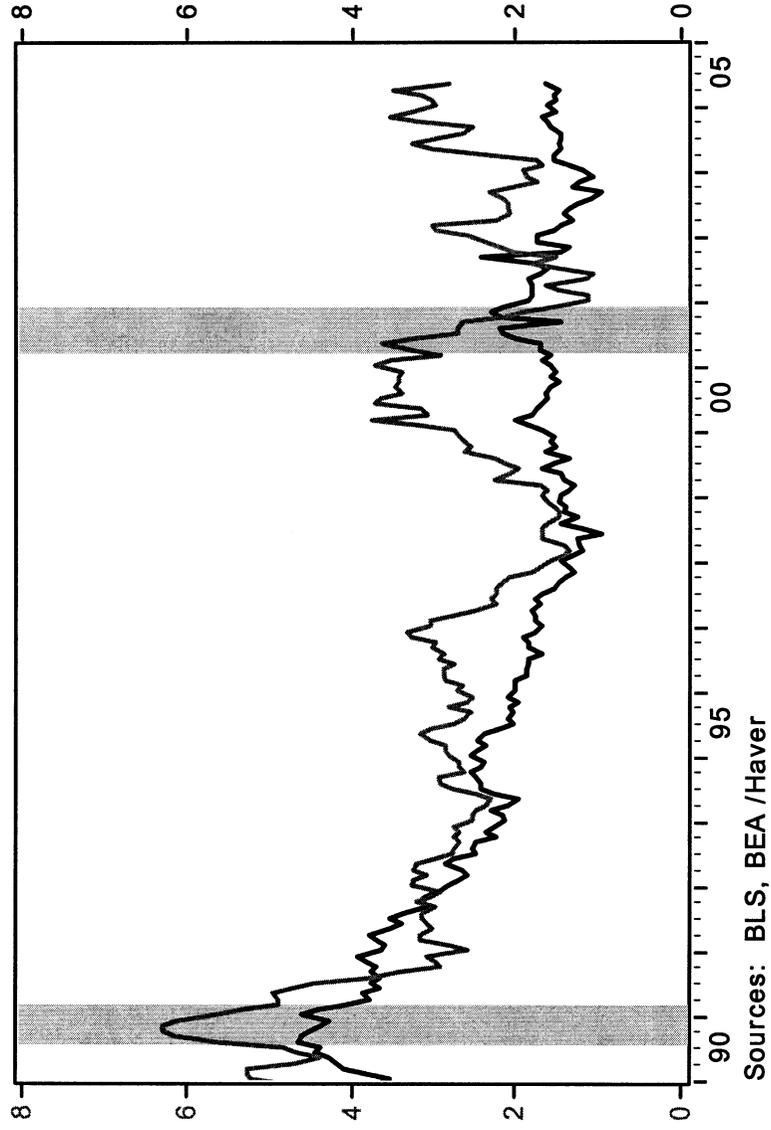
# Introduction

- **Agenda for Budget Outlook**
  - Presentation**
    - Preliminary Economic and Revenue Outlook
    - Fiscal Trends
    - Preliminary Expenditure Outlook
    - Budget Target Setting Information
    - Budget Process Changes
    - Conclusion



# Preliminary Economic and Revenue Outlook

Aggregate Inflation Remains Moderate, but Energy Spike Shows  
YOY%: CPI (Olive) and Core PCE (Blue)



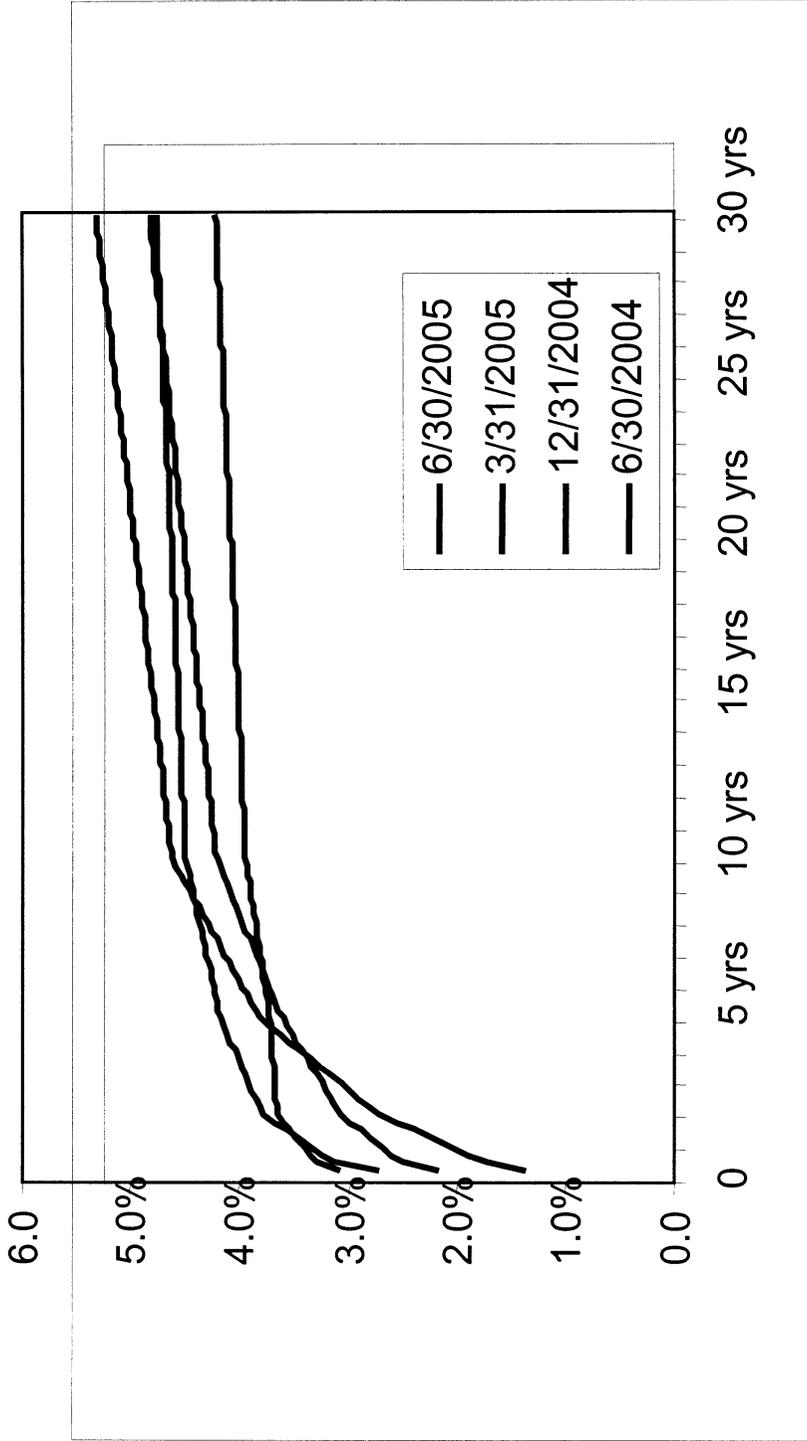
Sources: BLS, BEA /Haver

City Council Budget Retreat --  
October 29, 2005



# Preliminary Economic and Revenue Outlook

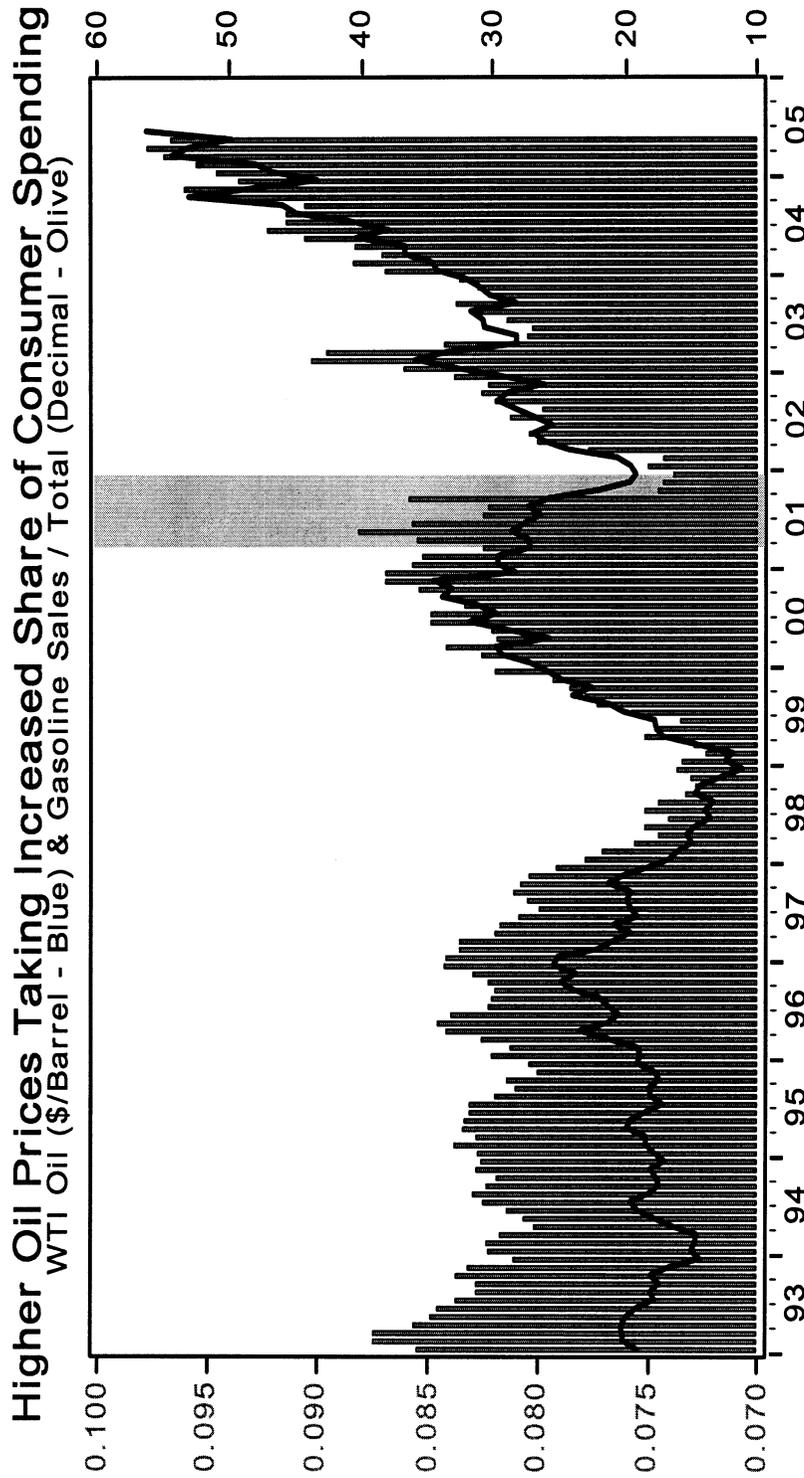
## Interest Rates



City Council Budget Retreat --  
October 29, 2005



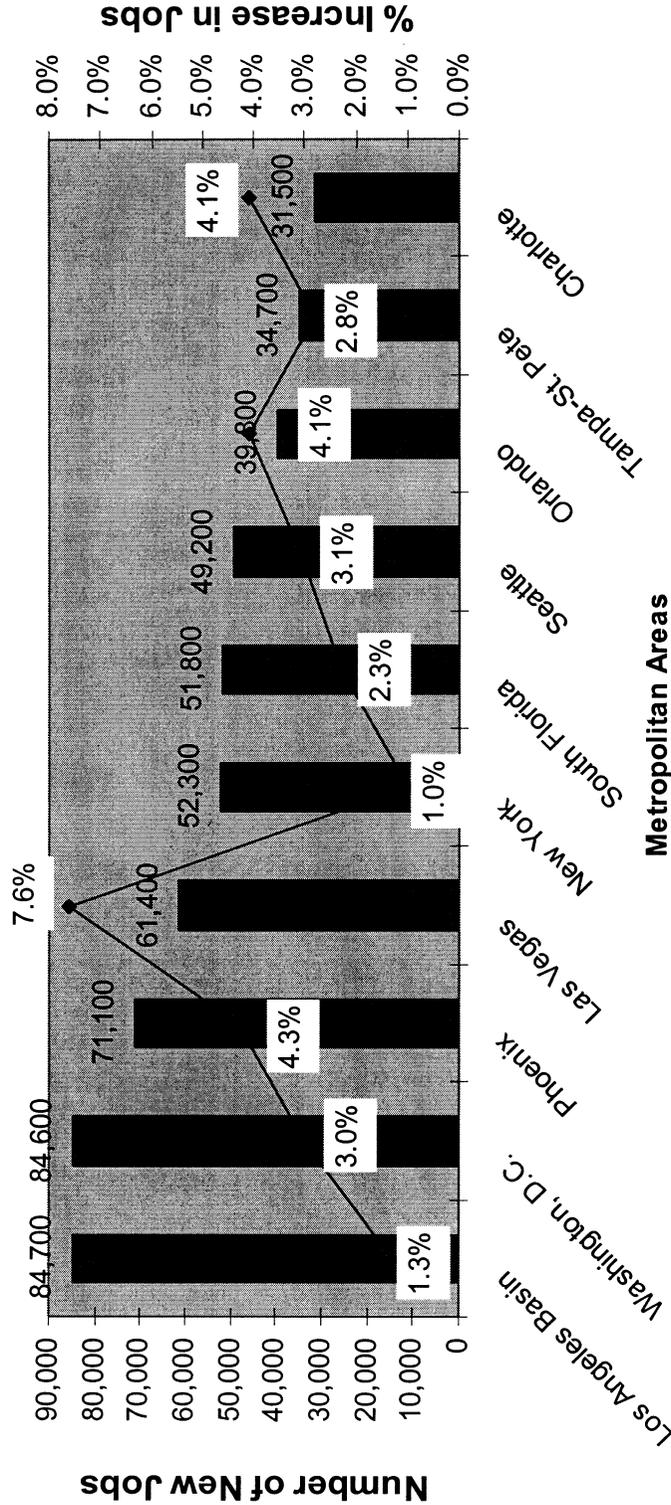
# Preliminary Economic and Revenue Outlook





# Preliminary Economic and Revenue Outlook

12-Month Payroll Employment Change Through July 2005



Metropolitan Areas  
 Source: Bureau of Labor Statistics, Delta Associates; September 2005

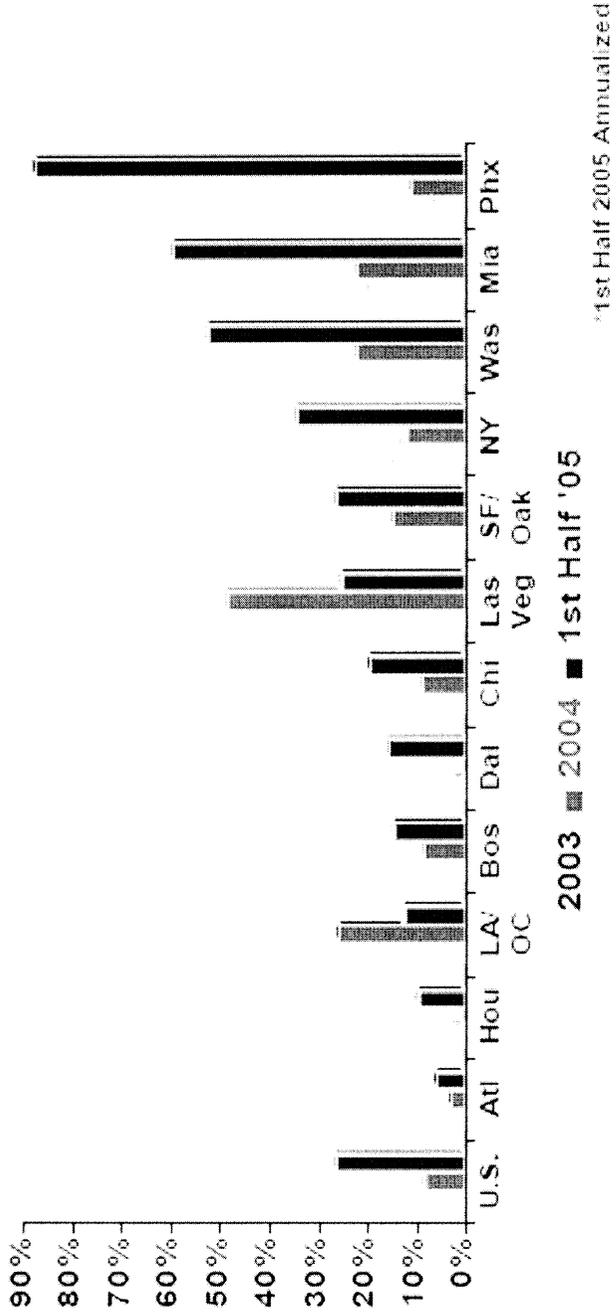
City Council Budget Retreat --  
 October 29, 2005



# Preliminary Economic and Revenue Outlook



## Annual Escalation of Existing Home Sale Prices



Source: National Association of Realtors; September 2005.

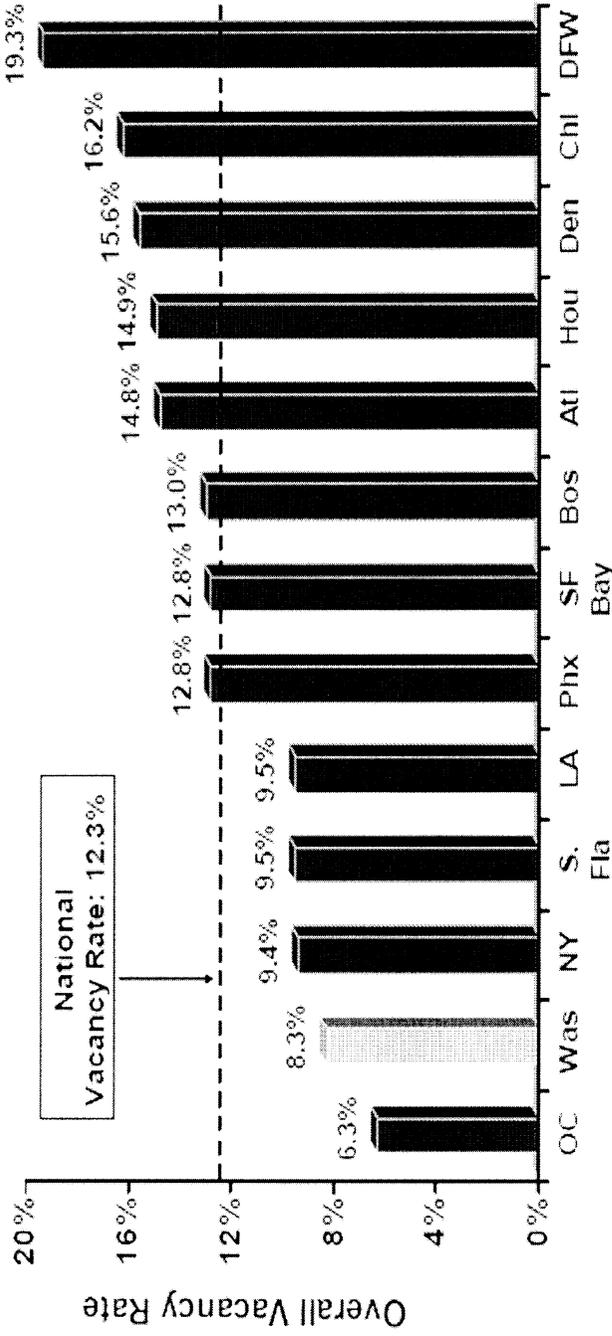
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October 29, 2005



# Preliminary Economic and Revenue Outlook



## Office Vacancy Rates Select Metro Areas 3rd Quarter 2005



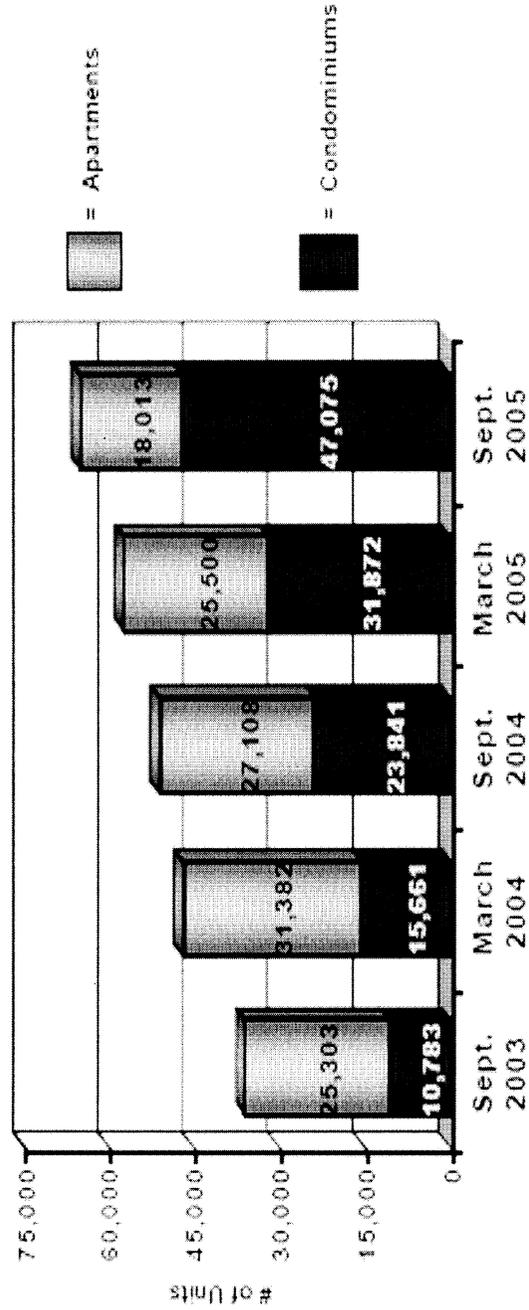
Source: CoStar; Delta Associates; September 2005.

City Council Budget Retreat --  
October 29, 2005



# Preliminary Economic and Revenue Outlook

36-Month Multifamily Market Pipeline  
Washington Metro  
2003 - 2005



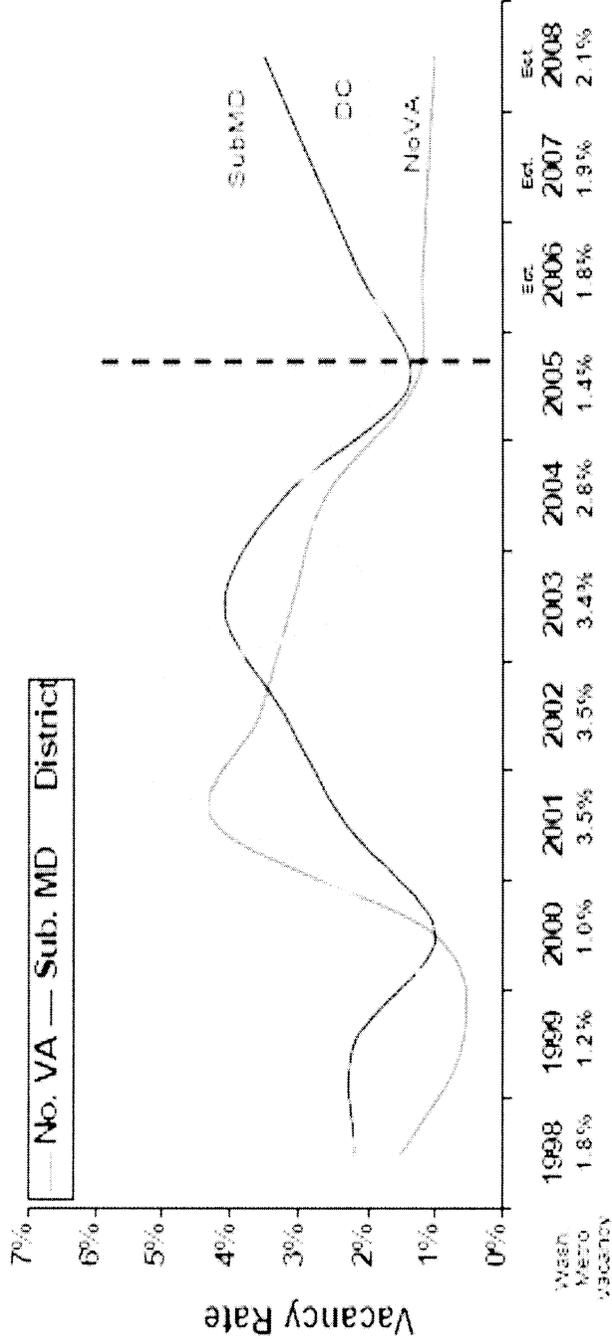
Source: Delta Associates; September 30, 2005.

City Council Budget Retreat --  
October 29, 2005



# Preliminary Economic and Revenue Outlook

Class A Apartment Vacancy Rate  
Washington Metro Area  
1998 - 2008



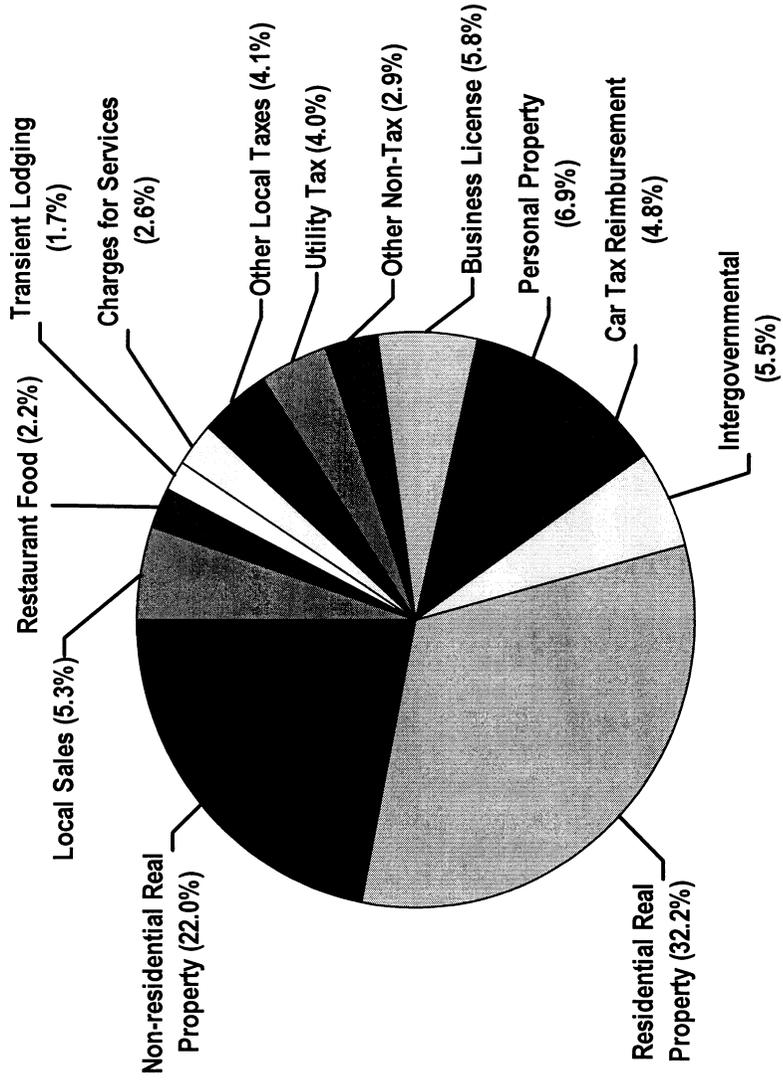
Source: Delta Associates; September 30, 2005.

City Council Budget Retreat --  
October 29, 2005



# Preliminary Economic and Revenue Outlook

FY 2006 COMBINED GENERAL FUND REVENUES, WHERE IT COMES FROM...

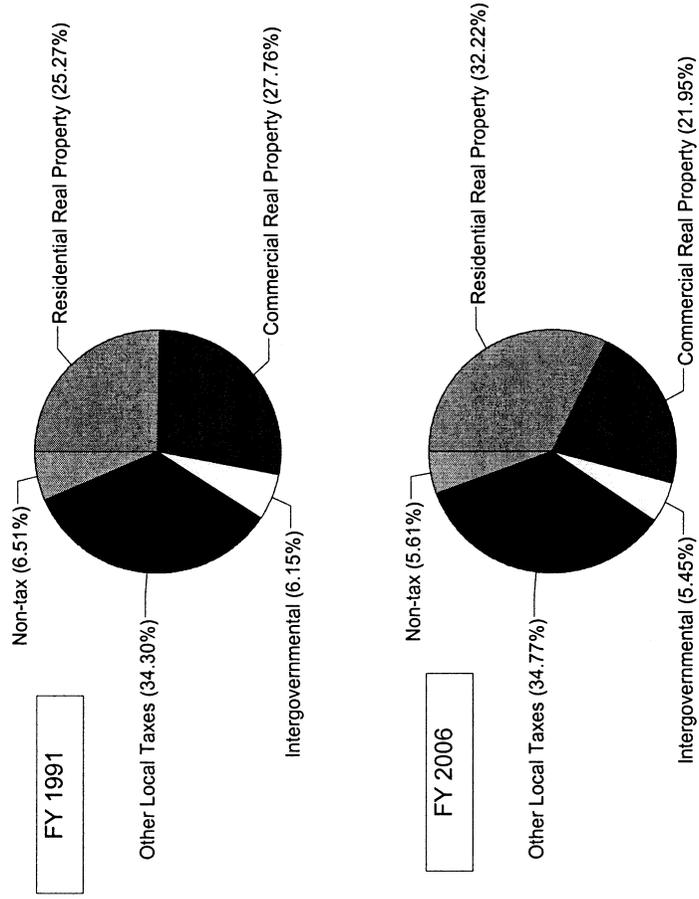


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# Preliminary Economic and Revenue Outlook

Share of General Fund Revenue  
FY 1991 and FY 2006



City Council Budget Retreat --  
October 29, 2005



# **Preliminary Economic and Revenue Outlook**

- 2006 Projected Real Estate Assessments
  - Based on 2005 sales and income/expense data
  - Mirror national and regional economic and housing trends
  - Residential assessment projections likely close to final numbers
  - Commercial and new construction assessments represent work in progress
  - Assessments will be issued on February 9



# **Preliminary Economic and Revenue Outlook**

- **2006 Projected Real Estate**

## **Assessments**

- **Single Family = +17%**
- **Condominium = +22%**
- **Average Residential = 18%**



# **Preliminary Economic and Revenue Outlook**

- **2006 Projected Real Estate Assessments**
  - **Apartment = +15%**
  - **Office, Retail, Service = +16%**
  - **Other = +25%**
  - **Average Commercial = +16%**



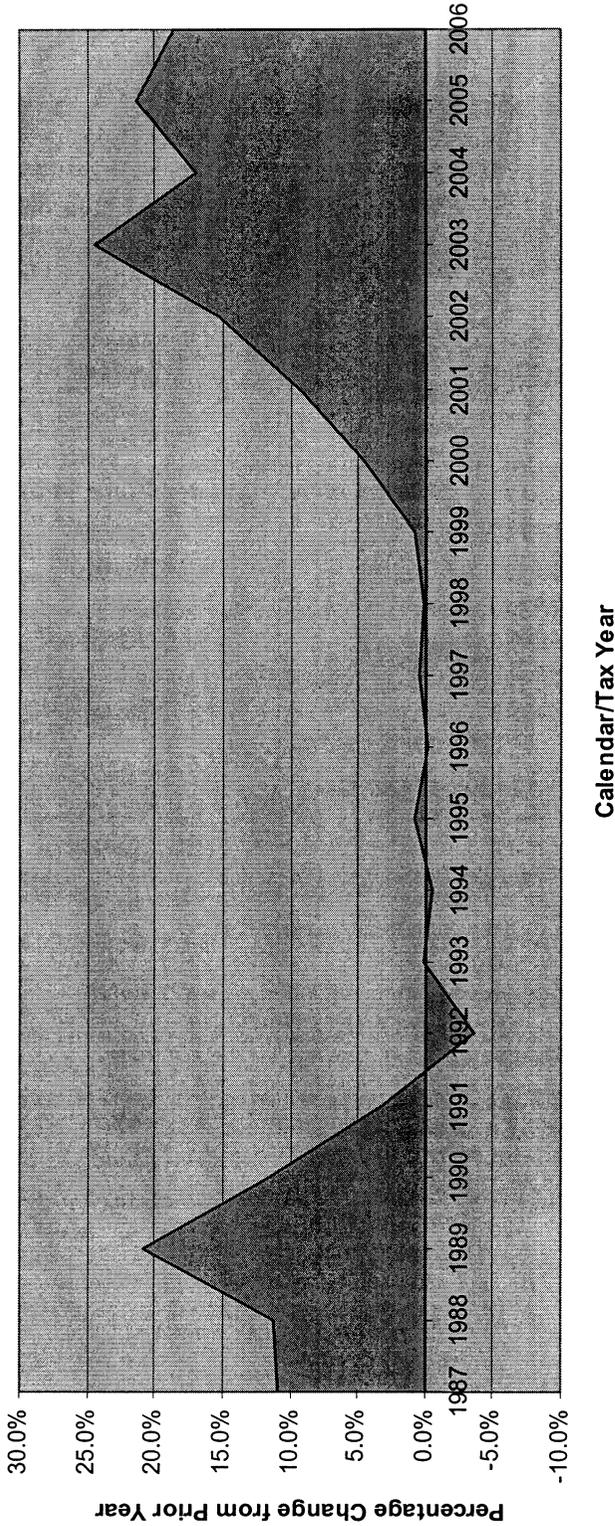
# **Preliminary Economic and Revenue Outlook**

- **2006 Projected Real Estate Assessments**
  - **\$500 plus million approx. new growth = about +1.5%**
  - **Utilities and Other PSC = +8%**
  - **Total Tax Base Increase = +19%**



# Preliminary Economic and Revenue Outlook

Residential Real Estate Appreciation  
Percent Change  
1987 to 2006 (est.)



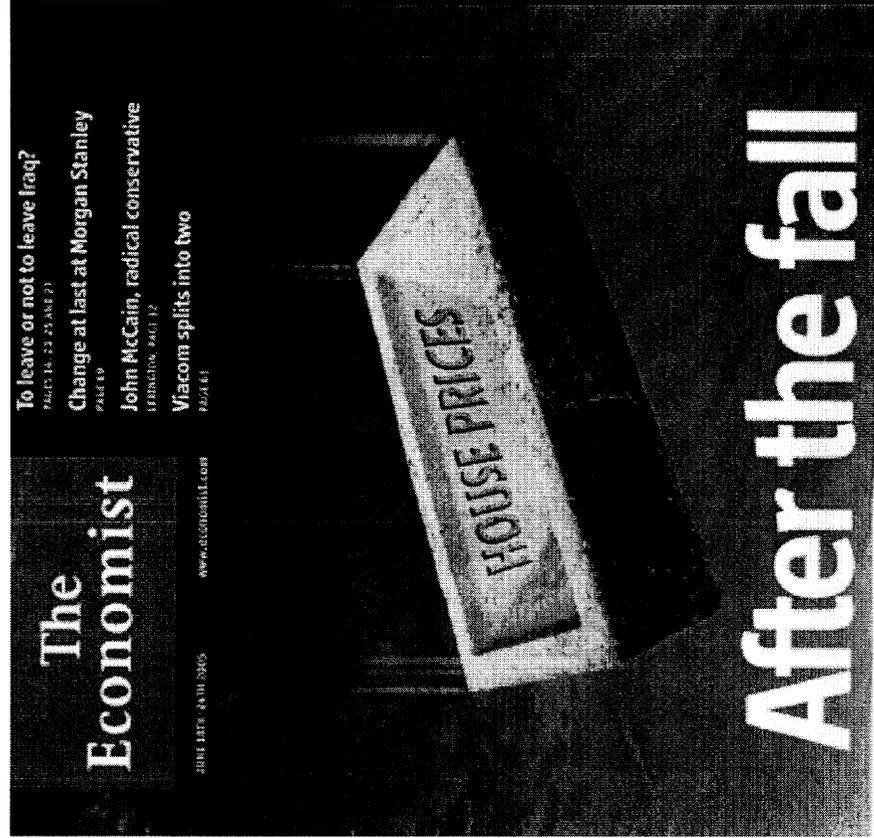


# **Preliminary Economic and Revenue Outlook**

- Targeted Real Estate Tax Relief (\$3.3 million)
- In 2005 Relief was provided to
  - 966 Seniors and Disabled (\$ 2,826 ave.)
  - 1,033 AHOP grantees (\$518 ave.)
    - 252 @ \$275
    - 308 @ \$475
    - 473 @ \$675
- Program criteria to be reviewed for expanded tax relief in 2006



# Preliminary Economic and Revenue Outlook





# **Preliminary Economic and Revenue Outlook**

- **Residential Real Estate**

## **Prognostications**

- Fall like a brick?
- Bubble about to burst?
- Tiny bubbles?
- Froth?
- Soft Landing?
- Flatten out?



# **Preliminary Economic and Revenue Outlook**

- 2007 Projected Real Estate Assessments
  - Higher mortgage interest rates
  - Incomes not keeping up with home prices
  - Signs of market slowing
  - New condos at 5 year supply in pipeline
  - Fewer condo conversions



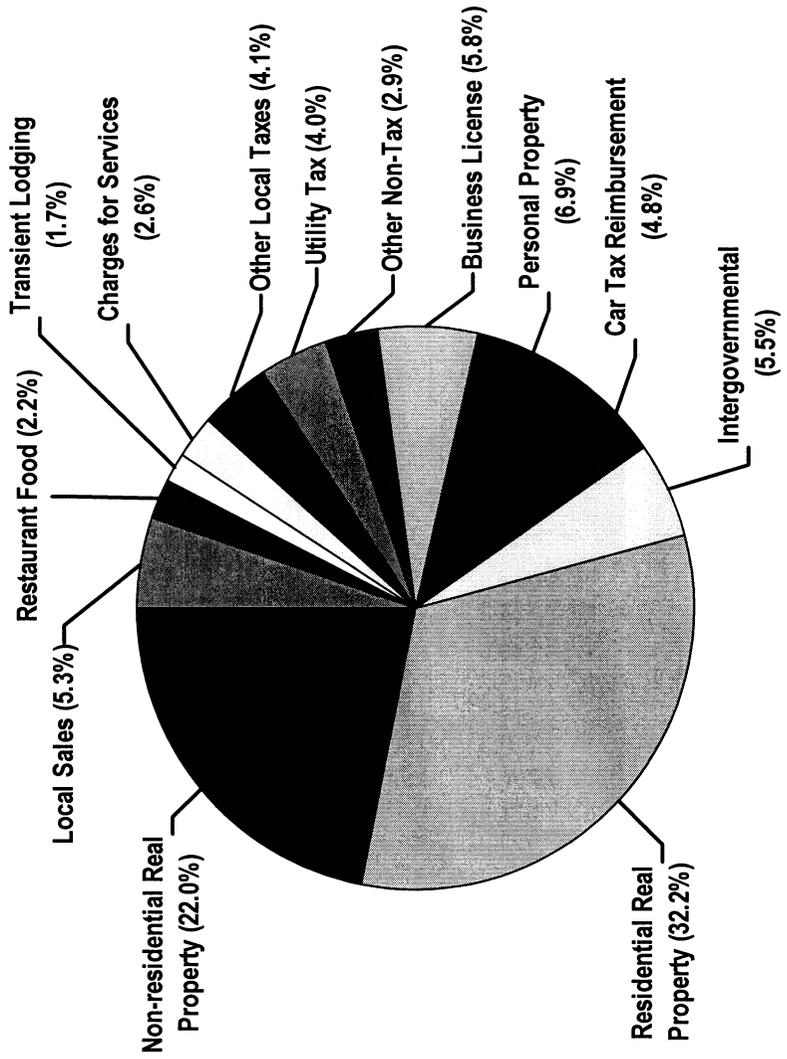
# **Preliminary Economic and Revenue Outlook**

- **Personal Property Taxes**
  - Recent state law changes
  - Reimbursement capped and may change % of tax bill relieved
  - Law also allows for tiered rates
  - Impact of law changes to be studied
  - Decline in car tax base?



# Preliminary Economic and Revenue Outlook

FY 2006 COMBINED GENERAL FUND REVENUES, WHERE IT COMES FROM...

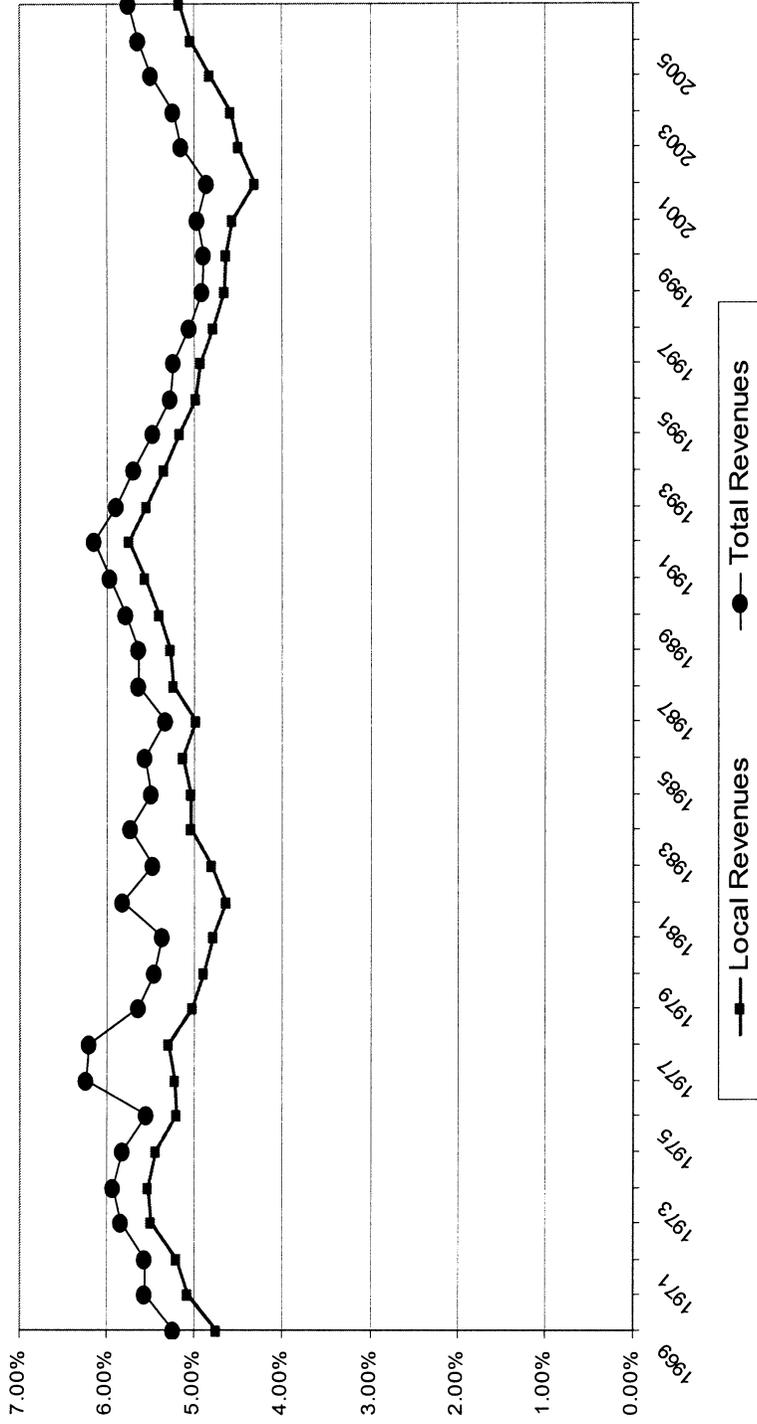


City Council Budget Retreat --  
October 29, 2005

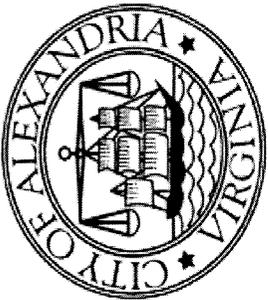


# Fiscal Trends

General Fund  
Local and Total Revenue as Percent of Total Personal Income

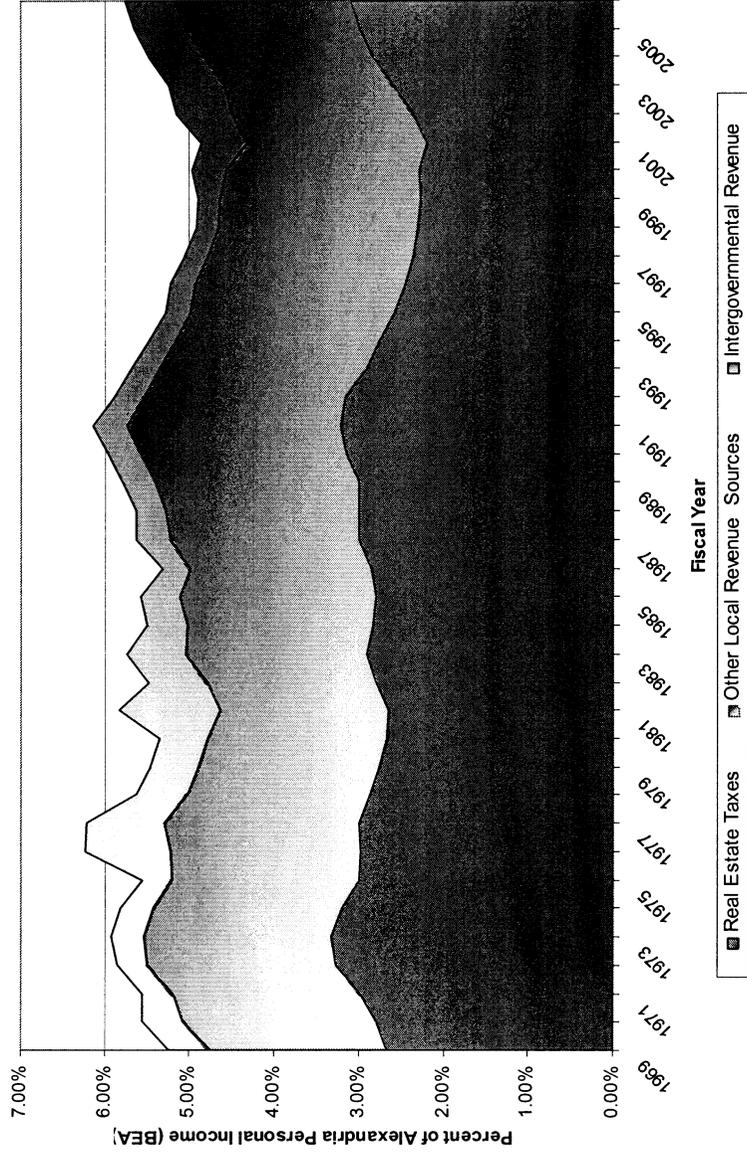


City Council Budget Retreat --  
October 29, 2005



# Fiscal Trends

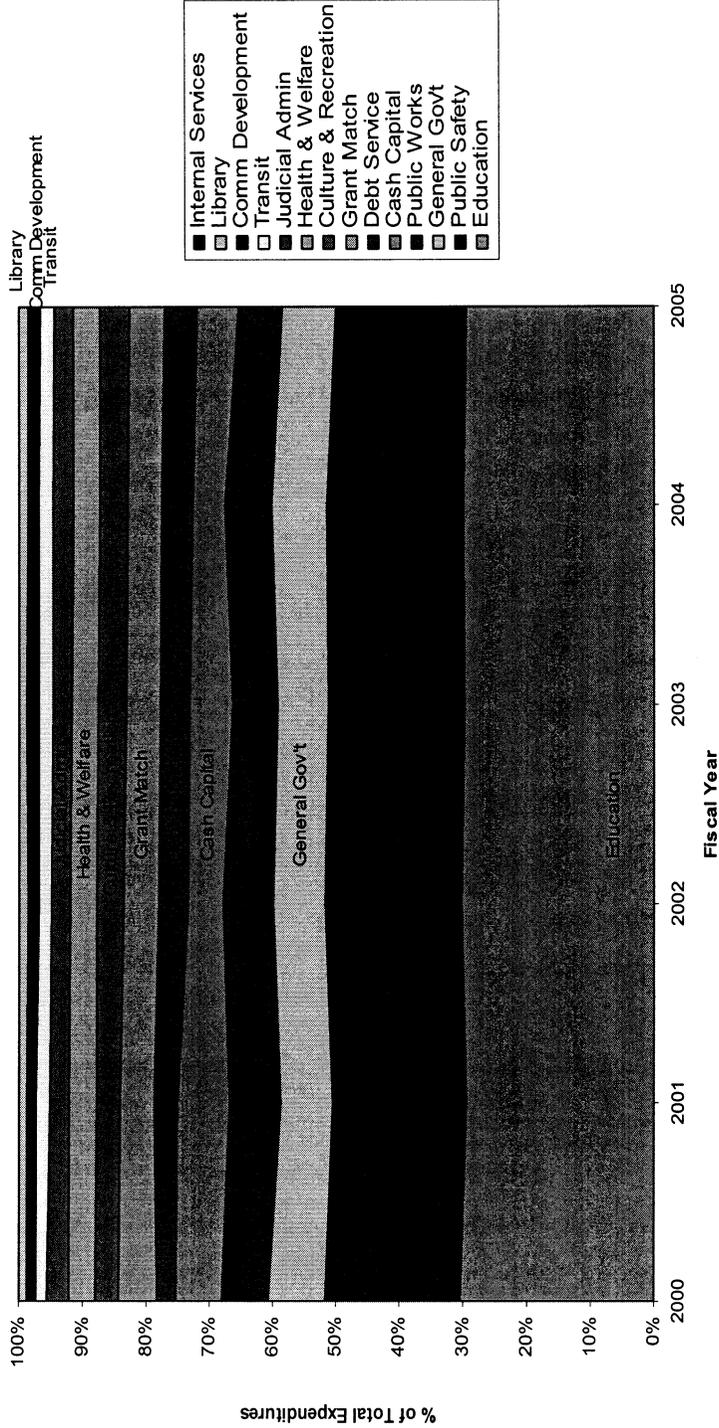
Sources of General Fund Revenue as Percent of Personal Income





# Fiscal Trends

History of General Fund % of Total Expenditures by Function  
FY 2000 to FY 2005

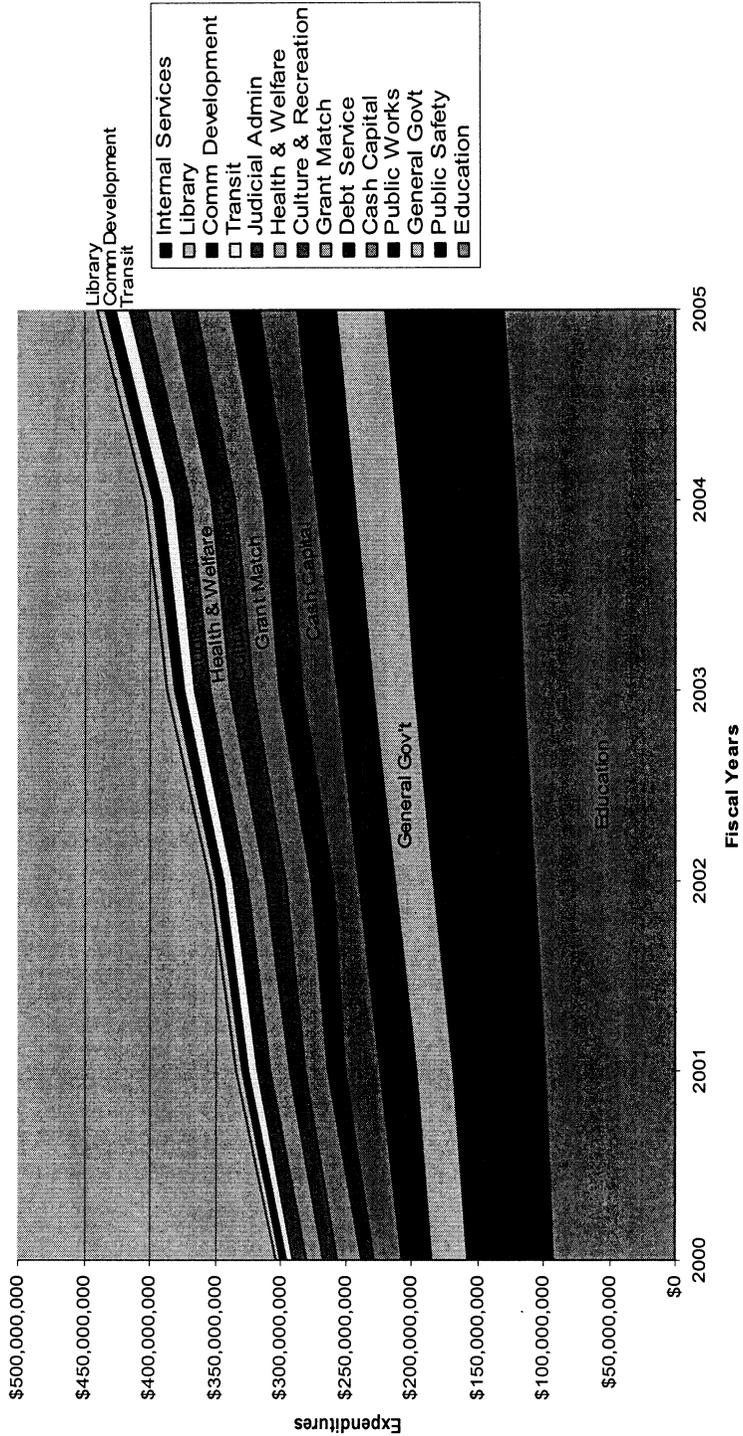


City Council Budget Retreat --  
October 29, 2005

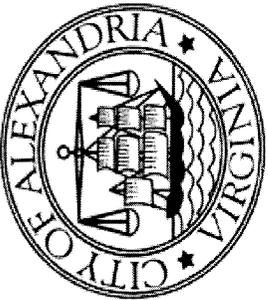


# Fiscal Trends

General Fund Expenditure History by Function  
FY 2000 to FY 2005

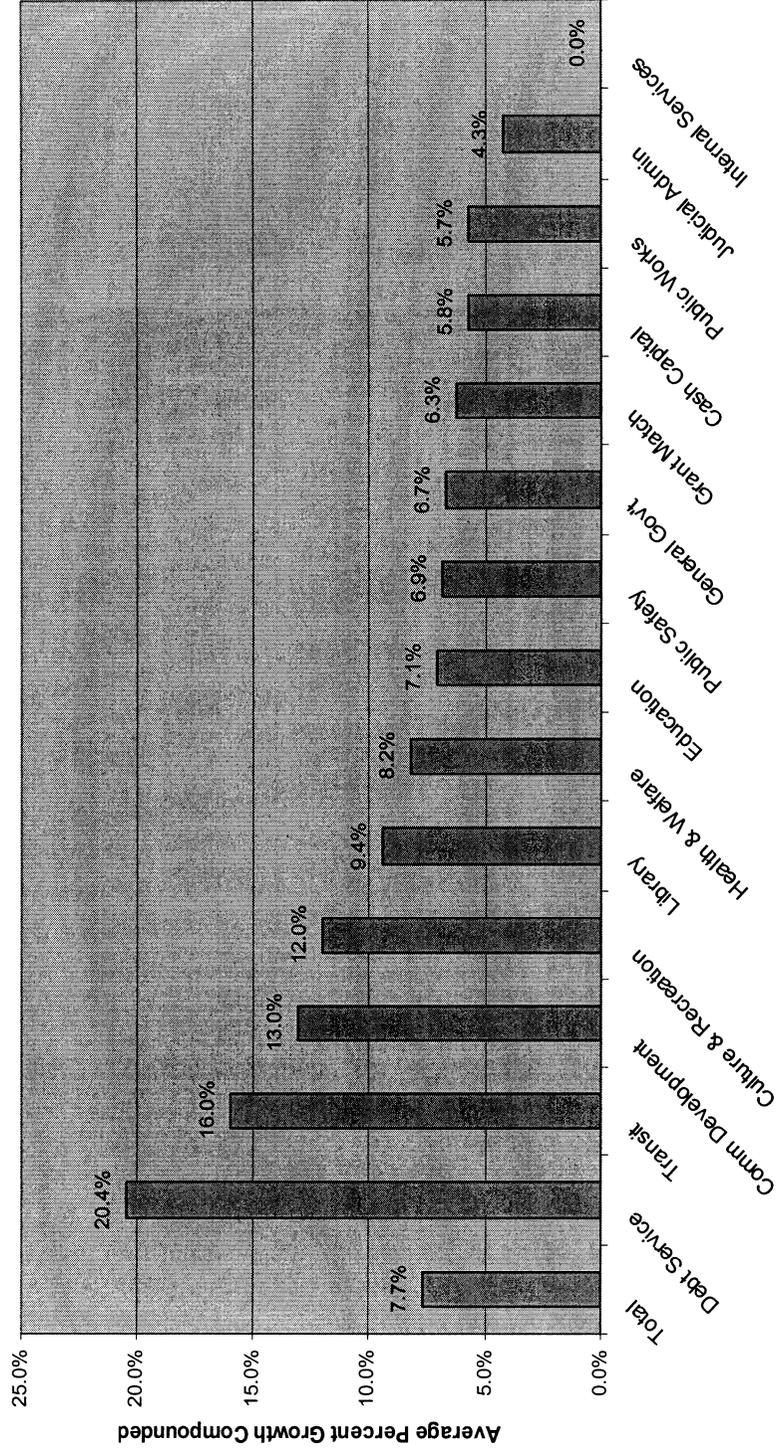


City Council Budget Retreat --  
October 29, 2005



# Fiscal Trends

Average Annual Percentage Growth FY 2000 to FY 2005



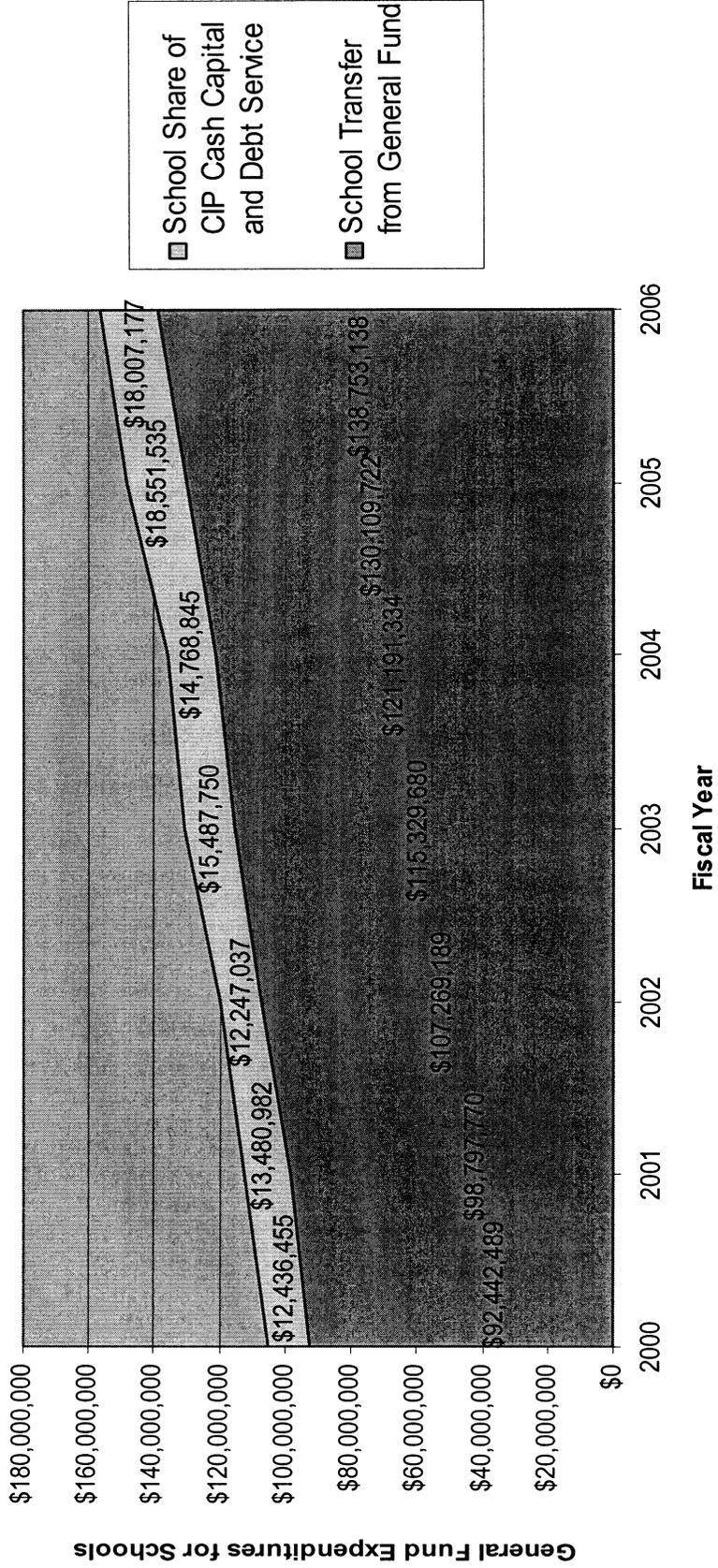
City Council Budget Retreat --  
October 29, 2005

40



# Fiscal Trends

Schools (ACPS) Share of Operating Budget  
FY 2000 to FY 2006

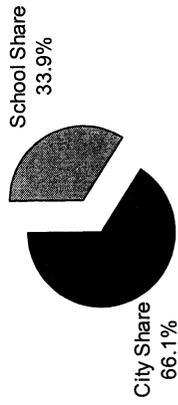


City Council Budget Retreat --  
October 29, 2005

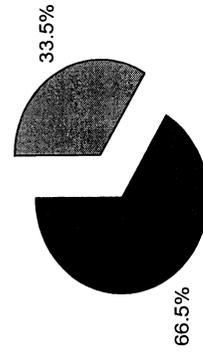


# Fiscal Trends

City and School Share of Budget With CIP Costs Allocated  
FY 2000



City and School Share of Budget With CIP Costs Allocate  
FY 2006

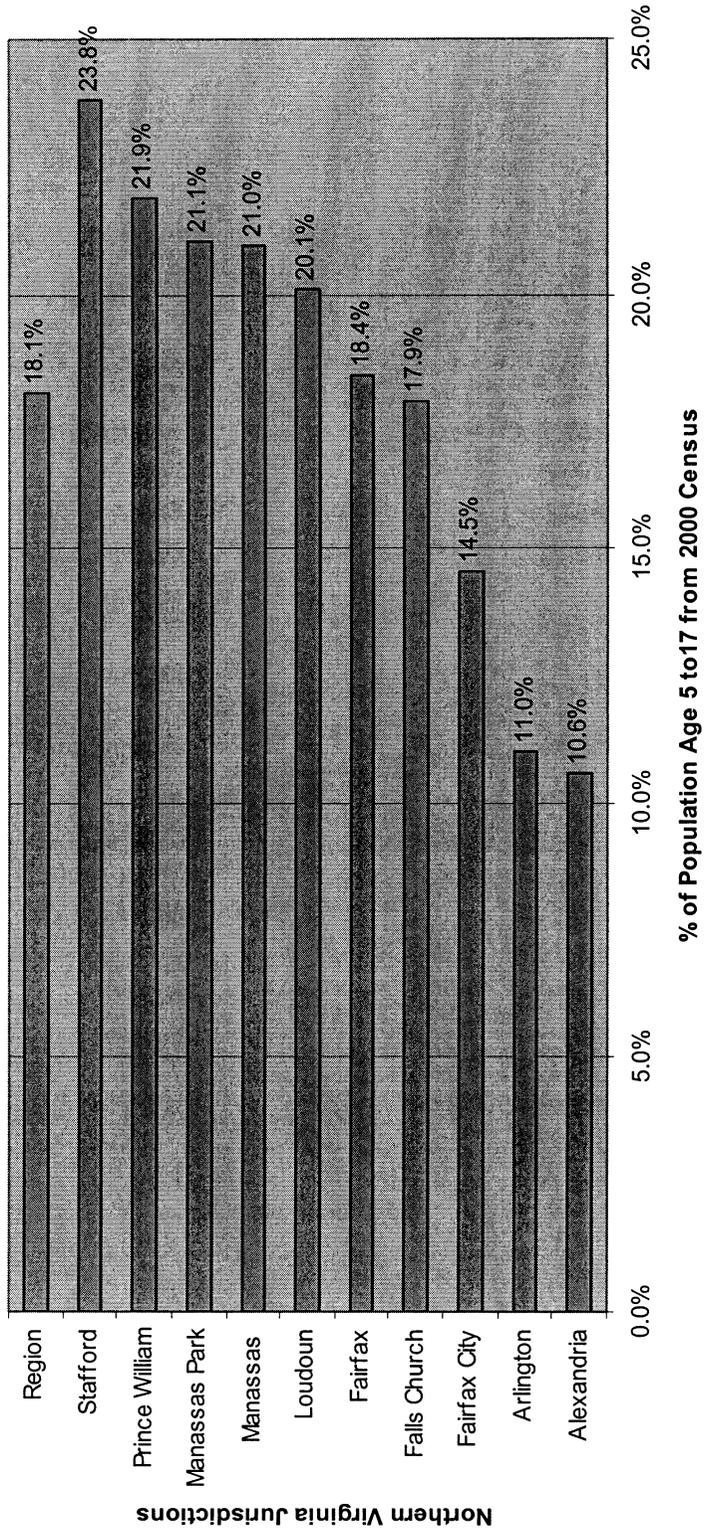


City Council Budget Retreat --  
October 29, 2005



# Fiscal Trends

Relative Share of Population Age 5 to 17 in Northern Virginia

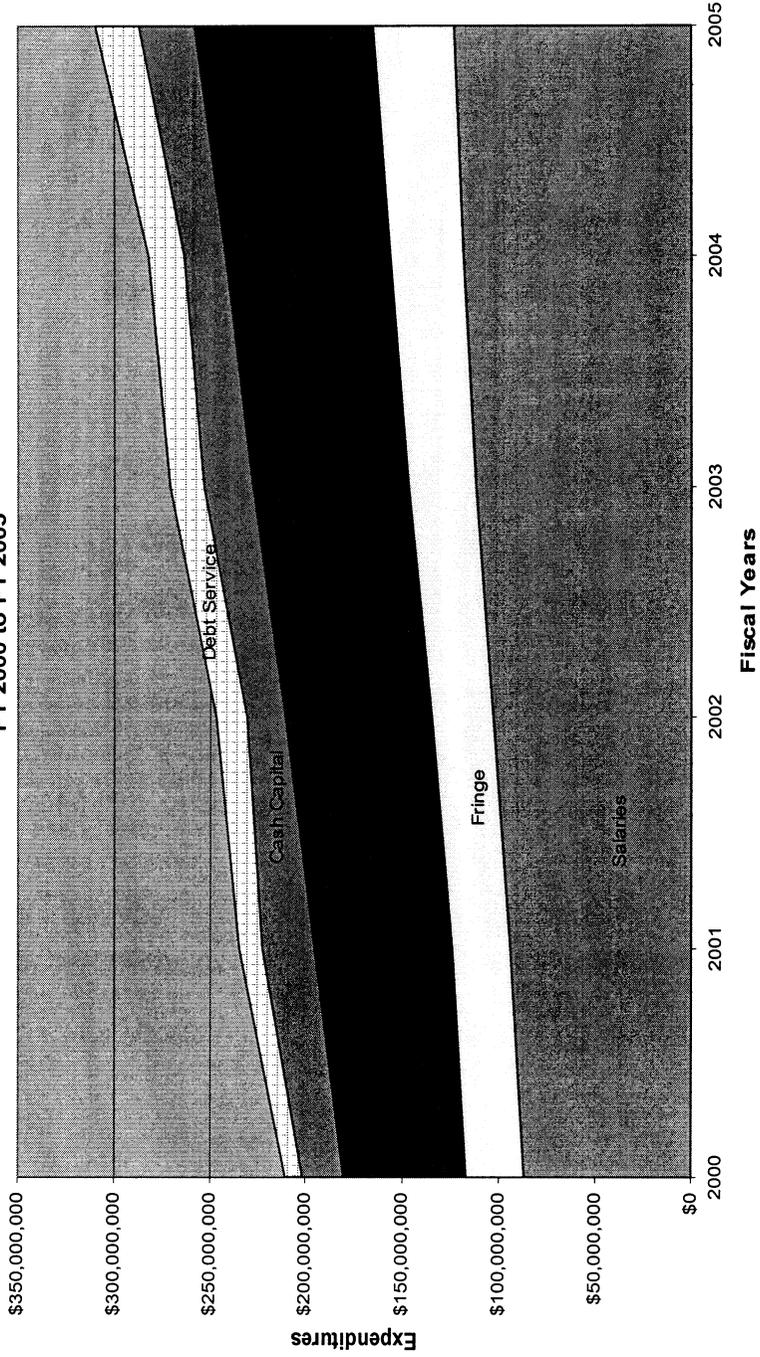


43



# Fiscal Trends

General Fund Expenditure History Excluding School Transfer  
by Type of Expense  
FY 2000 to FY 2005



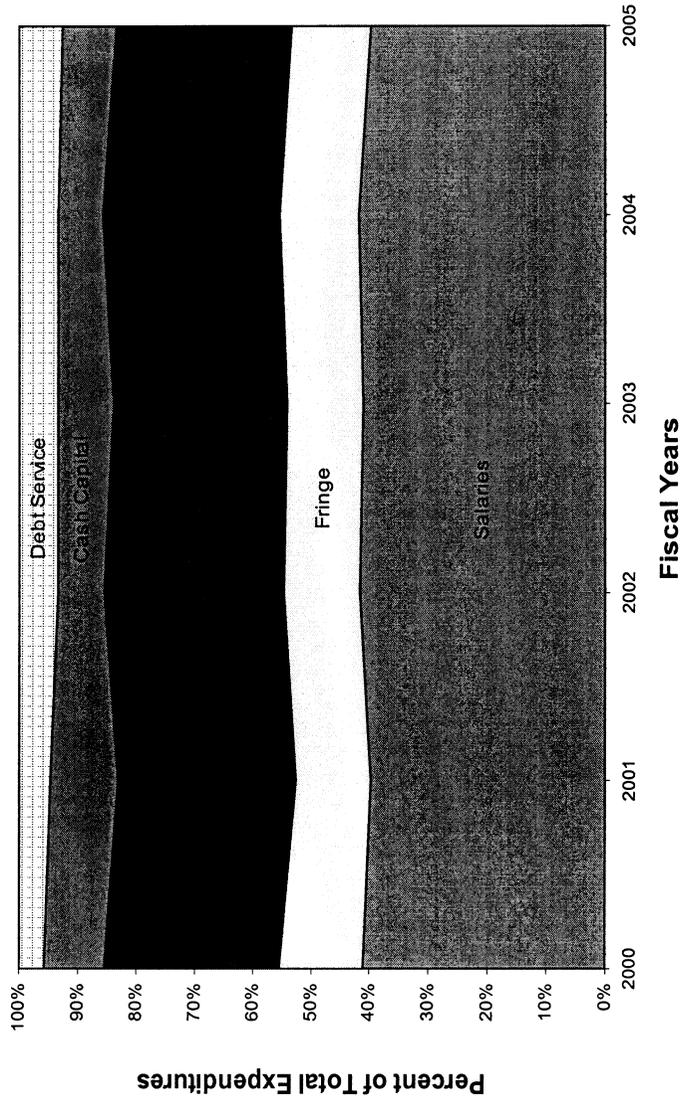
44

City Council Budget Retreat --  
October 29, 2005



# Fiscal Trends

General Fund Expenditure History Excluding School Transfer  
by Type of Expense  
FY 2000 to FY 2005



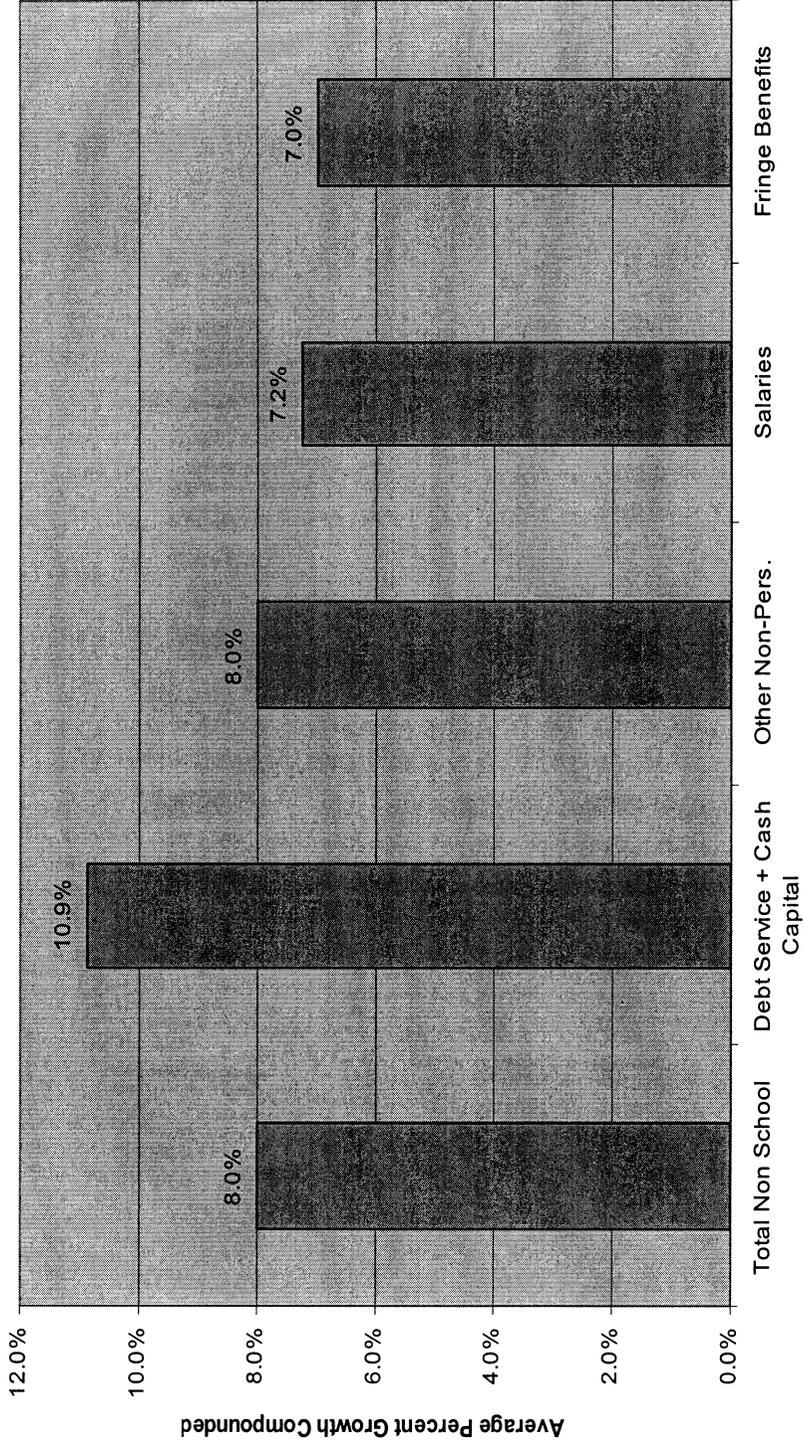
City Council Budget Retreat --  
October 29, 2005

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# Fiscal Trends

Average Annual Percentage Growth FY 2000 to FY 2005  
Excluding School Transfer



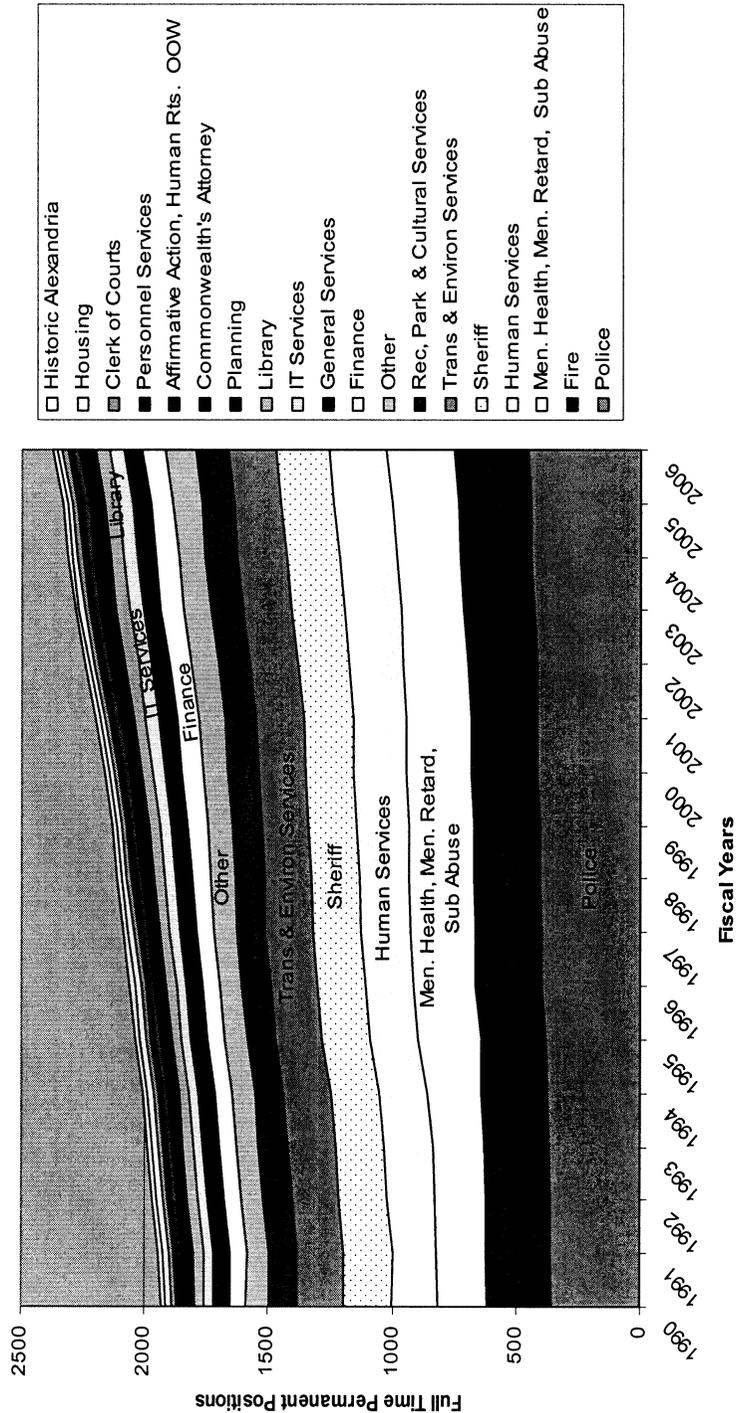
City Council Budget Retreat --  
October 29, 2005

46



# Fiscal Trends

Full Time Permanent Positions History 1990 to 2006

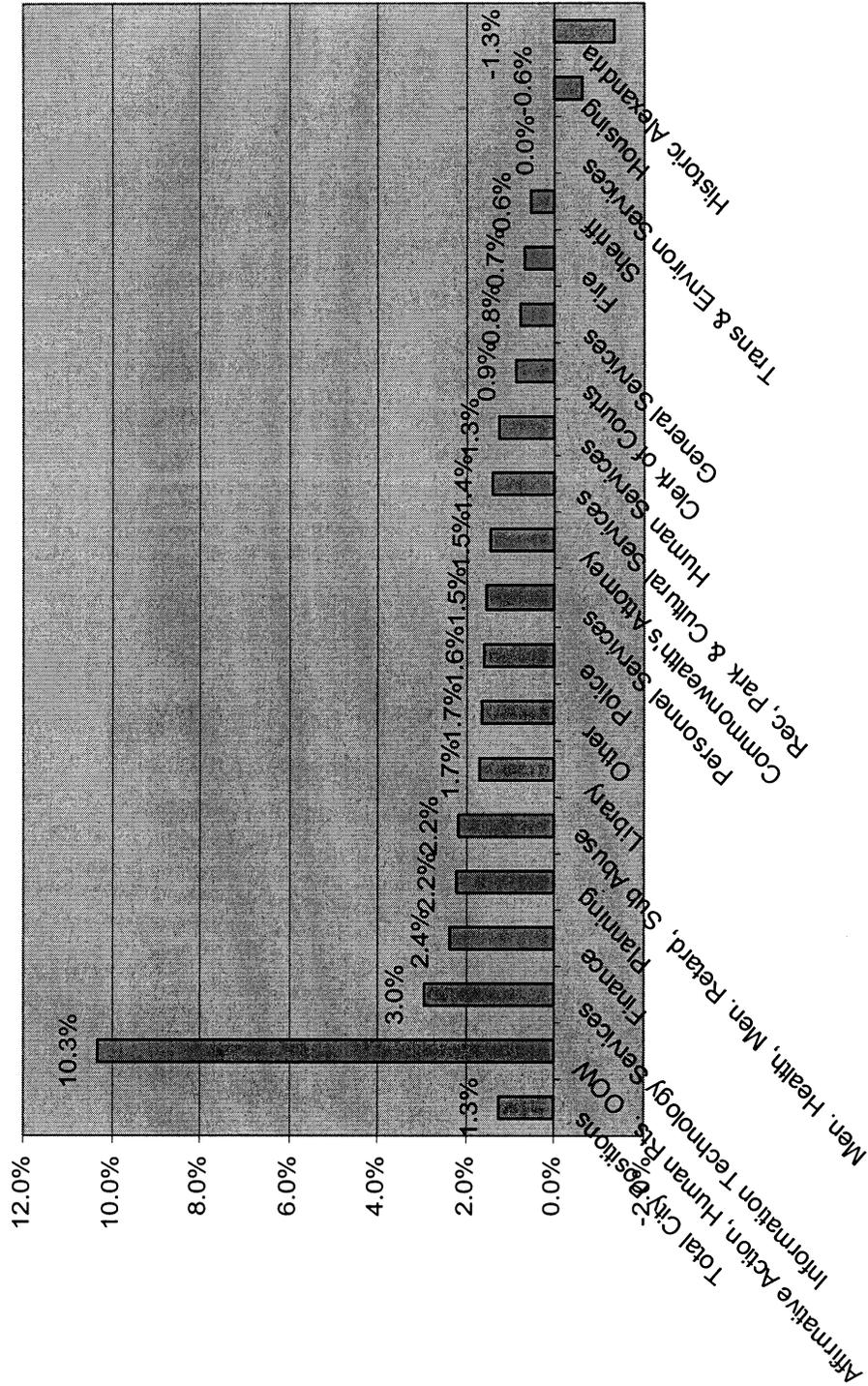


City Council Budget Retreat --  
October 29, 2005



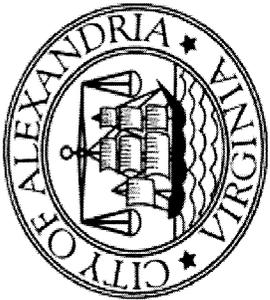
# Fiscal Trends

Average Annual Percent Growth in Full Time Permanent Positions  
FY 1990 to FY 2006



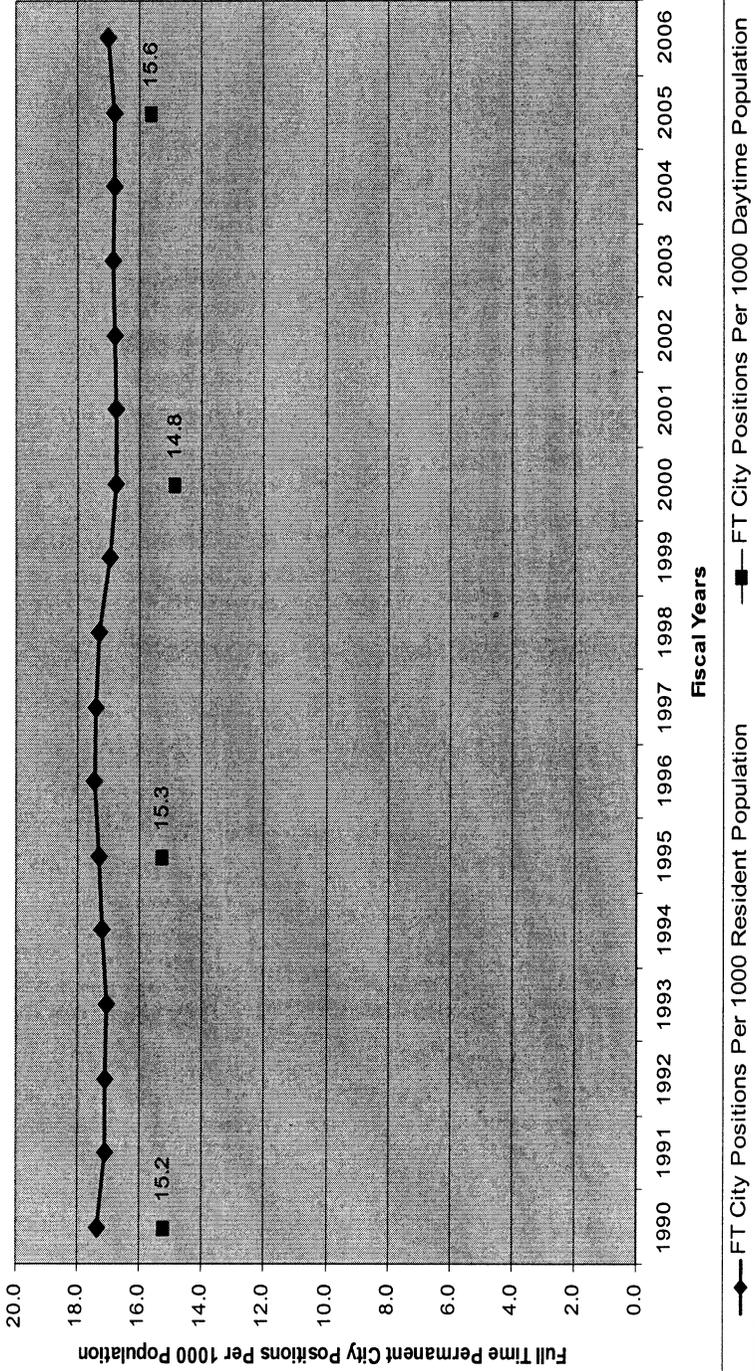
Compounded Annual Rate of Growth FY 1990 to FY 2006

48



# Fiscal Trends

Full Time Permanent City Positions  
Per 1000 Resident Population and 1000 Daytime Population



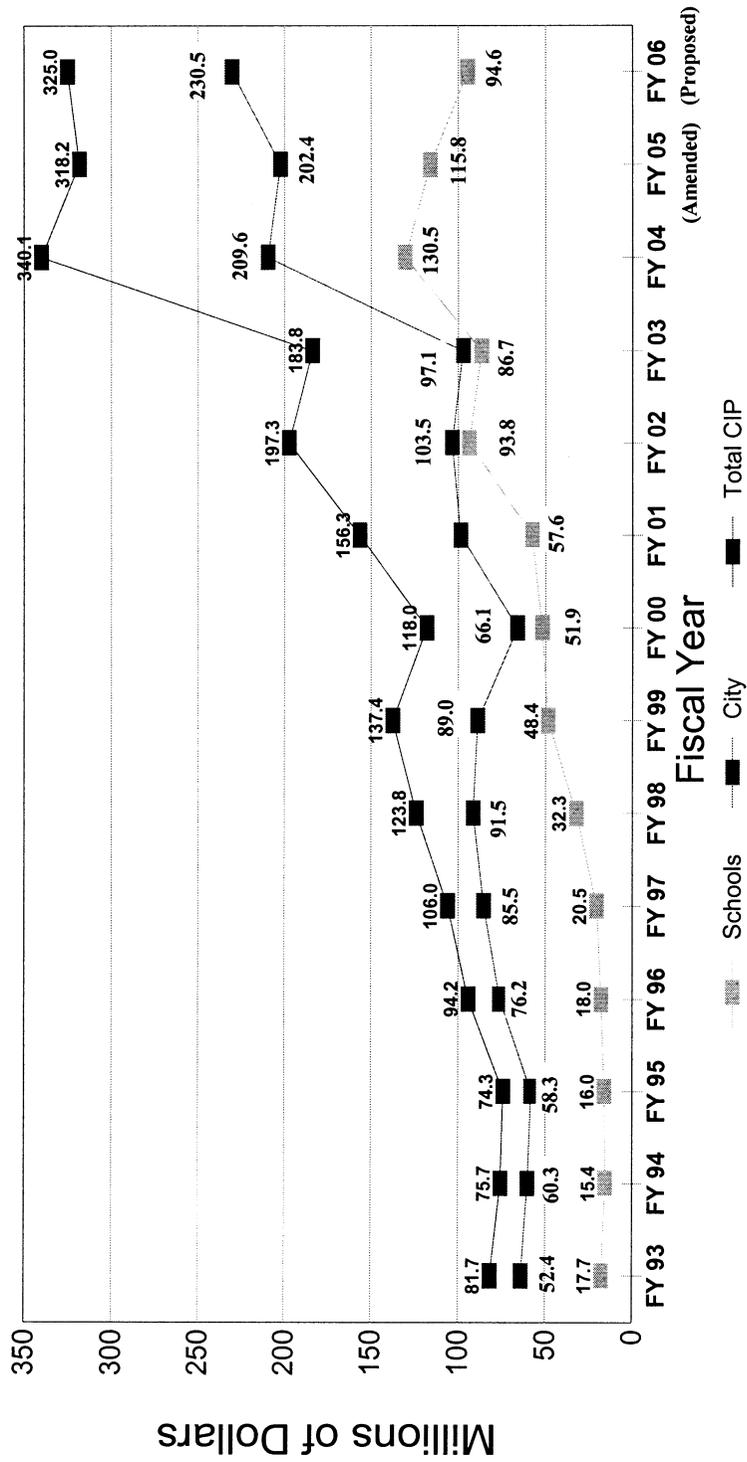
City Council Budget Retreat --  
October 29, 2005

64



# Fiscal Trends

**Total Local Funding - Approved CIPs**  
City and Schools CIP Project Funding

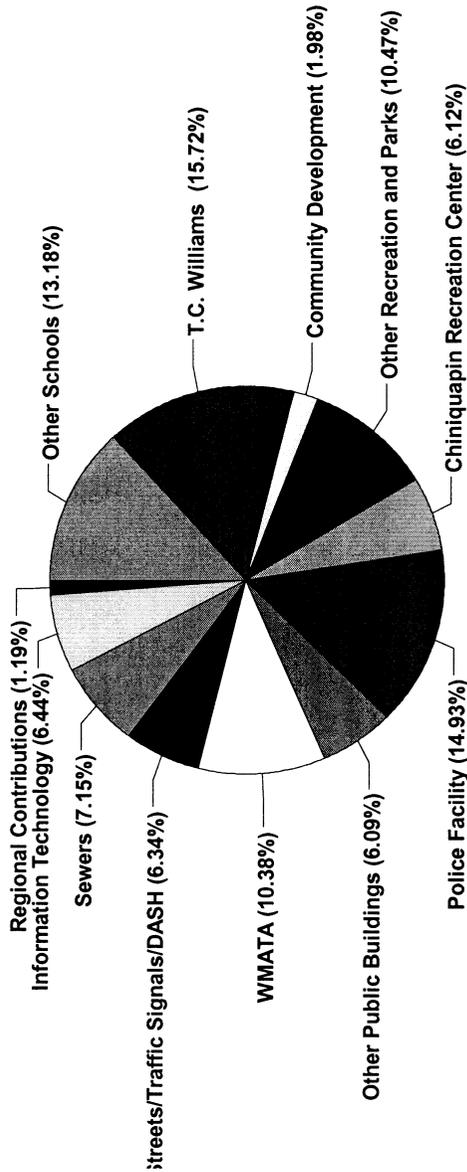


50



# Fiscal Trends

## FY 2006 - 2011 Capital Improvement Program Programs by Share





# **FY 2007 Preliminary Expenditure Outlook**

- Preliminary forecast of current services and policies baseline
- Answers question: What is needed to maintain current services and policies?
  - Meet uncontrollable cost increases
  - Meet legal requirements
  - Fulfill existing City Council policies

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# **FY 2007 Preliminary Expenditure Outlook**

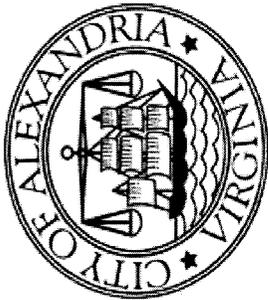
- **Adjustments in FY 2006**
  - **Sworn Public Safety Officer Compensation +\$3.0 M**
  - **Fuel and energy cost increases + \$1.0 M**
  - **Medical Costs for Jail Inmates +\$0.25 M**
  - **Sanitary sewer shift to a separate fund to reflect new self-supporting nature of program**  
**-\$2.8 M**



# FY 2007 Preliminary Expenditure Outlook

	City Ops.	Transit	Schools	CIP	Total
FY 2006*	\$272.5 M	\$12.5 M	\$138.8 M	\$45.6 M	\$469.3 M
Adjustments to Baseline					
COLA if 3%	\$5.7 M		\$3.9 M		\$9.6 M
Merit Pay	\$3.5 M		\$3.5 M		\$7.0 M
VRS Retirement Charge	\$3.1 M		\$5.4 M		\$8.5 M

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# FY 2007 Preliminary Expenditure Outlook

Adjustments to Baseline	City Ops.	Transit	Schools	CIP	Total
Health Insurance	\$2.4 M		\$1.9 M		\$4.3 M
Fuel and Energy	\$1.5 M		\$0.7M		\$2.2 M
Existing Contract Costs	\$1.3 M				\$1.3 M
Reserve and Special Ed. Teachers			\$0.9 M		\$0.9 M



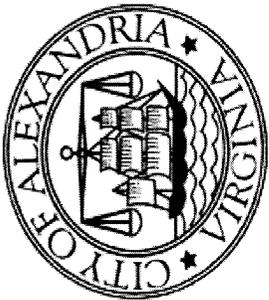
# FY 2007 Preliminary Expenditure Outlook

Adjustments to Baseline	City Ops.	Transit	Schools	CIP	Total
Rent and Facility Maintenance	\$1.2 M				\$1.2 M
Grant Match Increase	\$1.1 M				\$1.1 M
Human Serv. Rev. Max Grant	\$1.0 M				\$1.0 M
Operating Cost of CIP	\$0.5 M				\$0.5 M



# FY 2007 Preliminary Expenditure Outlook

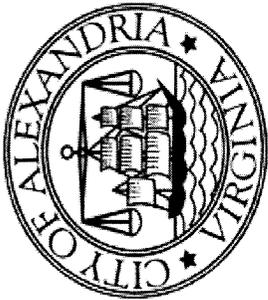
Adjustments to Baseline	City Ops.	Transit	Schools	CIP	Total
Vehicle and Equip.	\$0.5 M				\$0.5 M
METRO DASH Paratransit		\$1.5 M			\$1.5 M
Debt Service				\$1.9 M	\$1.9 M
Cash Capital				\$10.0 M	\$10.0 M



# FY 2007 Preliminary Expenditure Outlook

Adjustments to Baseline	City Ops.	Transit	Schools	CIP	Total
Use of FY 06 Surplus				-\$10.2 M	-\$10.2 M
Other Misc. Adjustments	\$0.8 M		\$3.4 M		\$4.2 M
Adjustments One Time Exp.			-\$3.7 M		-\$3.7 M
School Financing Changes			-\$1.9 M		-\$1.9 M

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# FY 2007 Preliminary Expenditure Outlook

Adjustments to Baseline	City Ops.	Transit	Schools	CIP	Total
Sanitary Sewer (Self Funded)				-\$0.4 M	-\$0.4 M
Total Adj. To Baseline	\$22.8 M	\$1.5 M	\$14.0 M	\$1.4 M	\$39.7 M
% Increase to FY 2006 Adjusted Budget	8.4%	11.9%	10.1%	3.0%	8.5%

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# **FY 2007 Preliminary Expenditure Outlook**

- **Uncertainties**
  - School enrollment
  - Fuel and Energy Costs
  - State and Federal Funding Availability for City and Schools
  - Health Insurance Costs
  - VRS Retirement Charges
  - Transit Subsidy Requirements

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# **FY 2007 Preliminary Expenditure Outlook**

- **City Operating Discretionary Program  
Increases**
  - Under review by City Manager
  - May or may not be proposed to City Council
  - Grouped by strategic plan objectives



# FY 2007 Preliminary Expenditure Outlook

Discretionary Program Increases	City Ops.	Transit	Schools	CIP	Total
Public Safety	\$1.4 M				\$1.4 M
Transportation	\$0.3 M	Unknown			\$0.3 M
Environment	\$0.9M				\$0.9 M
Development Redevelopment	\$0.2 M				\$0.2 M
Caring Community	\$1.7 M				\$1.7 M

Ⓡ



# FY 2007 Preliminary Expenditure Outlook

Discretionary Program Increases	City Ops.	Transit	Schools	CIP	Total
Efficiency, Sustainability	\$1.4 M				\$1.4 M
Education			\$2.9 M		\$2.9 M
CIP Net Increases				\$0.8 M	\$0.8 M
Efficiency Savings/Other Reductions	-\$0.7 M				-\$0.7 M
Use of Additional FY 06 Surplus				-\$2.9 M	-\$2.9 M



# FY 2007 Preliminary Expenditure Outlook

Discretionary Program Increases	City Ops.	Transit	Schools	CIP	Total
Total Disc. Prog. Increases or Decreases	\$5.2 M	Unknown	\$2.9 M	-\$2.1 M	\$6.0 M
% Increase to FY 2006 Adjusted Budget	1.9%	Unknown	2.1%	-4.6%	1.3%
Total \$ Requested	\$28.0 M	\$1.5 M	\$16.9 M	-\$0.7 M	\$45.6 M
Total % Increase	10.3%	11.9%	12.2%	-1.6%	9.7%

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# **Continuuous Improvement Process**

- Internal focus designed to accomplish many things
  - Seek efficiencies and savings
  - Improve services and quality
  - Improve timeliness
  - Challenge the status quo

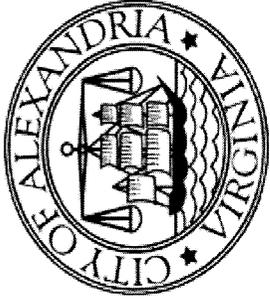
65



# **Continuous Improvement Process**

- **City-wide Administrative Process Improvements**
  - 140 ideas suggestions under review to improve City-wide administrative processes and procedures

66



# **Continuous Improvement Process**

- Improvement Teams
- Personnel Classification, Recruitment and Selection
- Personnel Training
- Purchasing
- Facilities Management
- Fleet Management

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# Continuous Improvement Process

- Departmental Process Improvements
  - Ideas that focus mainly on department-specific improvements
  - Suggested by Departments during FY 2007 budget submissions
  - 60 ideas/suggestions being followed up

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# **Continuous Improvement Process**

- **Department Efficiency/Best Practice Studies**
  - Conduct third-party efficiency reviews of selected City departments
  - Establish appropriate management metrics and benchmarks for every City department

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# **Continuous Improvement Process**

- Types of issues to be studied may include:
  - Policies and procedures
  - Organizational structure
  - Staffing
  - Workloads
  - Budget Resources
  - Outputs
  - Service levels
- T&ES and Fire will be first departments studied



# **Continuous Improvement Process**

- T&ES contract awarded to Matrix Consulting Group
  - Scope to include Divisions of Administration, Engineering, Construction and Inspection, and Maintenance and Operations
  - Divisions of Transportation, Transit, and Environmental Quality will not be studied at this time
  - Report to be completed in early 2006



# **Continuous Improvement Process**

- Fire Department contract recently awarded to Management Advisory Group
  - Scope to include Fire Suppression, Fire Administration, Emergency Medical Services and Fire Communication
  - Code Enforcement and Emergency Management will not be studied at this point
  - Report to be completed in early 2006



# **Continuous Improvement Process**

- **Second Fire Department contract previously awarded to TriData Group**
  - To evaluate suitability of locations of existing fire stations
  - To assess the physical condition of existing Fire stations
  - To determine the need for any additional stations
  - To Study the optimum departmental staffing level to minimize overtime use
  - Report to be completed in late 2005



# **Continuous Improvement Process**

- Other departments will be studied
- Plan to improve performance measurement City-wide
  - Development of key City-wide performance measures
  - Improvement of Departmental performance measures
- CMO Citizen Advisory Committee

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# **Continuous Improvement Process**

- These continuous improvement efforts may yield budget savings in the short term or in the long term
  - Too early to quantify many possible budget savings
- These improvements also may yield improved services at no extra cost



# **Continuous Improvement Process**

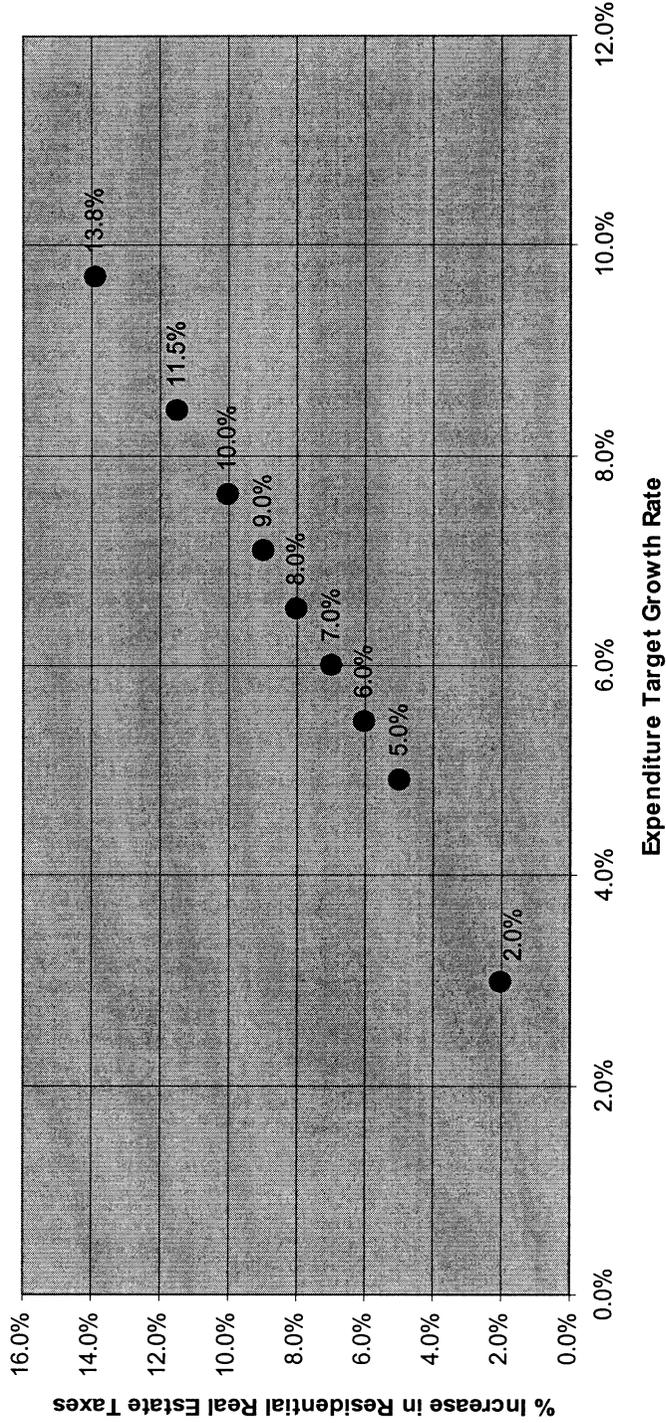
- **Specific Expenditure Reductions Under Review**
  - Departmental suggestions for \$0.7 M in specific savings under consideration by City Manager
  - Other saving proposals possible
  - Still a work in progress

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# Information for Setting Budget Targets

Rate of Growth in Residential Real Estate Taxes (Existing Properties) Required  
at Various Target Rates of Growth in Expenditures





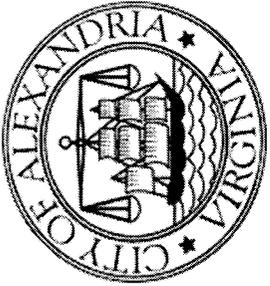
# Information for Setting Budget Targets

Scenario	A Full Funding All Requests	B Full Funding Current Services	C 10% RRE Tax Growth	D 9.0% Tax Growth	E 8.0% Tax Growth	F 7.0% RRE Tax Growth	G 6.0% RRE Tax Growth	H 5.0% RRE Tax Growth	I 3.0% Exp. Growth
Growth in Exp. %	9.7%	8.5%	7.6%	7.1%	6.6%	6.0%	5.5%	4.9%	3.0%
Growth in Ave. Res. R.E. Taxes	13.8%	11.5%	10.0%	9.0%	8.0%	7.0%	6.0%	5.0%	2.0%
RE Tax Rate Reduction	-3.6	-5.4	-6.5	-7.3	-8.1	-8.9	-9.6	-10.4	-12.7
% of Current Services not Funded	0%	0%	1.1%	1.9%	2.6%	3.4%	4.2%	5.0%	7.4%
\$ reduction to Current Services required	\$0	\$0	\$5.5 M	\$9.3 M	\$13.1 M	\$16.8 M	\$20.6 M	\$24.4 M	\$35.8 M
\$ available for Disc. Supps.	\$6.0 M	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



# **Information for Setting Budget Targets**

- Possible Strategies
  - Postpone discretionary program increases
  - Reduce COLA
  - Set health insurance cost containment objective
  - Further diversify revenues
  - Freeze local funding for grant supported programs
  - Make targeted program/service level reductions
  - Reduce/Defer CIP expenditures
  - Issue more bonds for CIP expenditures



# Conclusion

- City Staff committed:
  - To provide a budget that meets targets
  - To inform Council of impact of meeting those targets
  - To provide a “cafeteria menu” of options on both the revenue and expenditure sides of the budget

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# Hypothetical Reduction Options

Scenario	A Full Funding All Requests	B Full Funding Current Services	C 10% RRE Tax Growth	D 9.0% Tax Growth	E 8.0% Tax Growth	F 7.0% RRE Tax Growth	G 6.0% RRE Tax Growth	H 5.0% RRE Tax Growth	I 3.0% Exp. Growth
Expenditure Growth Target	9.7%	8.5%	7.6%	7.1%	6.6%	6.0%	5.5%	4.9%	3.0%
Eliminate Disc. Prog. Increases									
City Schools CIP	NA NA NA	-\$5.2 M -\$2.9 M -\$0.8 M	-\$5.2 M -\$2.9 M -\$0.8 M	-\$5.2 M -\$2.9 M -\$0.8 M	-\$5.2 M -\$2.9 M -\$0.8 M	-\$5.2 M -\$2.9 M -\$0.8 M	-\$5.2 M -\$2.9 M -\$0.8 M	-\$5.2 M -\$2.9 M -\$0.8 M	-\$5.2 M -\$2.9 M -\$0.8 M
Eliminate Planned Increase in Cash Cap.	NA	NA	-\$4.4 M	-\$9.3 M	-\$10.0 M	-\$10.0 M	-\$10.0 M	-\$10.0 M	-\$10.0 M
Reduce 3% COLA	NA	NA	NA	NA	-\$3.0 M	-\$6.8 M	-\$9.6 M	-\$9.6 M	-\$9.6 M
Other Op. Program and/or CIP Reductions	NA	NA	NA	NA	NA	NA	-\$1.0 M	-\$4.7 M	-\$17.7 M
Reduction required from Requests	\$0	-\$8.9 M	-\$14.4 M	-\$18.2 M	-\$21.9 M	-\$25.7 M	-\$29.5 M	-\$33.2 M	-\$46.2 M



# **Budget Process Changes**

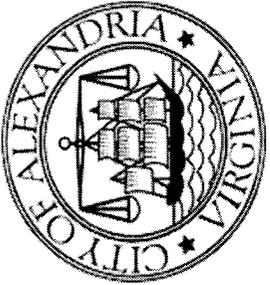
- **October 4 Memo to Council Outlines Changes**
  - **To Budget Documents**
  - **To Budget Work Sessions**
  - **To Budget Memos**
  - **To BFAAC Report**
  - **To Add-Delete Process**

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# **Budget Process Changes**

- **FY 2007 Budget Schedule**
  - **November 9 – Council establishes budget target levels for FY 2007**
  - **January 31 – School Board finalizes operating budget**
  - **February 14 – City Manager submits proposed Operating Budget and CIP**
  - **Mid Feb to Mid March – Work sessions with City Staff**



# Budget Process Changes

- March 18 – Effective Tax Rate Public Hearing
- Late March – Budget Public Hearing
- Joint School Board/City Council Work Session
- March 30 – BFAAC report delivered
- April 3 – BFAAC work session
- April 17 – Preliminary Add-Delete Work Session
- April 24 – Budget and Tax Rate Adoption by Council



# Conclusion

- All estimates are preliminary and subject to change
  - New revenue estimates will be issued with proposed budget in February
  - Cost to maintain current services will change
  - CIP program under review
  - All elements of budget still under review by City Manager, School Superintendent and School Board

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11-9-05

**RESOLUTION NO. \_\_\_\_\_**

WHEREAS, the City Council of Alexandria passed Resolution 2150 on May 2, 2005 that made changes in the process to be used for formulating the FY 2007 budget; and

WHEREAS, Resolution 2150 provided:

1. That the City Manager shall begin immediately to plan and prepare the FY 2007 Operating Budget and FY 2007 - 2012 Capital Improvement Program and that such preparations shall include, but not be limited to, requests for City departments to identify efficiencies, low priority programs not crucial to achieving City Council strategic objectives, potential discretionary supplemental increases for FY 2007 crucial to achieving City Council's strategic objectives, and potential City-wide process changes that would be beneficial to City operations and to the public.
2. That the City Manager shall present to City Council in time for the fall Council Retreat a preliminary forecast and outlook for (a) revenues (including the outlook for real estate assessments), (b) expenditures necessary to maintain appropriate services and policies (including in the City Manager's forecast of cash capital and debt service costs related to the approved FY 2006 – 2011 Capital Improvement Program), (c) the outlook for additional requests for City operating needs in FY 2007 and capital needs in FY 2007 through FY 2012, (d) the outlook for Federal and State grants, and (e) the outlook for the costs of meeting unfunded Federal and State mandates, both current mandates and projected new mandates.
3. That the Alexandria City School System shall separately present to City Council, but in a format coordinated with the City Manager, its preliminary forecast and outlook for (a) expenditures necessary to maintain appropriate services and policies, (b) the outlook for additional requests for Schools operating in FY 2007 and capital needs through FY 2007 through FY 2012, (c) the outlook for Federal and State grants, and (d) the outlook for the costs of meeting unfunded Federal and State mandates, both current mandates and projected new mandates.
4. That as part of its fall Retreat, City Council will consider this information and any other relevant information available to it at that time from the efforts described above, including citizen input to be provided by a public hearing on the FY 2007 budget to be conducted prior to City Council's fall Retreat.
5. That City Council shall, as a result of information available to it at the Retreat, direct that the City Manager prepare a budget resolution to be adopted by City Council to guide the preparation of the FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program and that such a resolution would contain (a) a target for City General Fund expenditure growth (including cash capital and debt service), (b) a target for a budget transfer to the Alexandria City Public Schools for operating expenses and capital expenditure needs in FY 2007 to FY 2012, and (c) a calculation of the estimated difference between FY 2007 preliminary forecast revenues and the expenditure targets to be established by City Council.

6. That City Council plans to adopt such a budget resolution during the month of November 2005 (sic).
7. That the Board of the Alexandria City School Schools is requested to approve a FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program by no later than January 31, 2006. Such budget shall seek not to exceed the Council approved budget targets for the Operating Budget transfer and Capital Improvement Program given to the Alexandria City Public Schools, and clearly identify what operating programs and activities and capital projects would be funded if additional funding were provided above that target.
8. That the City Manager shall submit a proposed FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program to the City Council no later than February 14, 2006, that does not exceed the target for General Fund expenditure growth established by City Council, and clearly identifies what operating programs and activities and capital projects would be recommended if additional funding were provided, and/or what tax rate changes could be enacted with whatever additional revenues might be available above the revenues needed to meet the expenditure target and still provide a structurally sound budget.
9. That City Council shall consider these recommendations and endeavor to enact a FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program that balances the needs of the community with the community's ability to afford meeting those needs. And

WHEREAS, the City Council has held a public hearing on October 15, 2005 on the FY 2007 budget; and

WHEREAS, the City Manager and the Alexandria City Public Schools have presented to City Council at its October 29, 2005 retreat their preliminary forecasts of revenues, expenditures and capital needs; and

WHEREAS, the City Council is committed to managing the growth of City General Fund operating and capital expenditures in order to help address the issue of increasing residential real estate taxes; and

WHEREAS, the City Council also is committed to continuing to perform fully its obligations, to continue to provide quality services and facilities for the residents and businesses of Alexandria, to maintain competitive compensation for City and School employees, to see continuous improvement in City government effectiveness and efficiency, and to achieve the vision and strategic goals and objectives outlined in the City Council's adopted Strategic Plan; and

WHEREAS, Council's deliberations on the budget each and every year reflect a balancing of the needs of the community with the community's ability to afford meeting those needs;

**NOW, THEREFORE, BE IT RESOLVED  
BY THE CITY COUNCIL OF ALEXANDRIA**

1. That the City Manager shall submit a proposed FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program to the City Council no later than February 14, 2006, that does not exceed a target of \$\_\_\_\_\_ million for General Fund expenditures. The target does not include the operating budget transfer to the Alexandria City Public Schools.
2. That the School Board of the Alexandria City Public Schools is requested to approve a FY 2007 Operating Budget by no later than January 31, 2006. Such budget shall seek not to exceed a target of \$\_\_\_\_\_ million for the operating budget transfer provided to the Alexandria City Public Schools.
3. That the budget documents of the City Manager and the School Board shall clearly describe what operating programs, activities and capital projects could be funded within the target budget. In addition, the budget documents also may outline operating programs, activities, capital projects and other policy options that may exceed the target budget.
4. That the proposed cost of living pay adjustment allowance for City and Schools employees will be recommended by the City Manager after consultation with the School Superintendent.
5. That the City Manager propose a budget real estate tax rate necessary for financing the target budget, as well as provide tax, fee and other revenue options as appropriate.

Attest:

\_\_\_\_\_  
Jacqueline M. Henderson, CMC, City Clerk

By \_\_\_\_\_  
William D. Euille, Mayor

*Alternative Providing for Alternative Targets*

1. *That the City Manager shall submit a proposed FY 2007 Operating Budget and FY 2007 to FY 2012 Capital Improvement Program to the City Council no later than February 14, 2006, that does not exceed a target of \$            million for General Fund expenditures as well as an alternative target of \$            million for General Fund expenditures. Neither this target nor the alternative target includes the operating budget transfer to the Alexandria City Public Schools. The targets **exclude [include]** funds for whatever cost of living adjustment is provided to City employees.*
  
2. *That the School Board of the Alexandria City Public Schools is requested to approve a FY 2007 Operating Budget by no later than January 31, 2006. Such budget shall seek not to exceed a target of \$            million for the operating budget transfer provided to the Alexandria City Public Schools, as well as an alternative target of \$            million for the operating budget transfer provided to the Alexandria City Public Schools. Both the target and the alternative target for the operating budget transfer **exclude [include]** funds for whatever cost of living adjustment is provided to School employees.*
  
3. *That the budget documents of the City Manager and the School Board shall clearly describe and compare the target budget and alternative target budget in regard to the details of what operating programs, activities and capital projects could be funded within one target budget and not the other target budget. In addition, the budget documents also may outline operating programs, activities, capital projects and other policy options that may exceed the target budget or the alternative target budget.*
  
4. *That the proposed cost of living pay adjustment allowance for City and Schools employees will be recommended by the City Manager after consultation with the School Superintendent. A different cost of living pay adjustment may be recommended by the City Manager for the alternative target budget.*
  
5. *That the City Manager propose a budget real estate tax rate necessary for financing the target budget, as well as provide tax, fee and other revenue options necessary for financing the alternative target budget, as appropriate.*

Attest:

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Jacqueline M. Henderson, CMC, City Clerk

By \_\_\_\_\_  
William D. Euille, Mayor