

City of Alexandria, Virginia

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MEMORANDUM

DATE: MAY 4, 2010  
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL  
FROM: JAMES K. HARTMANN, CITY MANAGER   
SUBJECT: BUDGET MEMO: #100 FY 2011 BUDGET ADOPTION - ACTIONS TAKEN  
MONDAY, MAY 3, 2010

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The following represents the budget actions taken during budget adoption Monday, May 3, 2010. City Council considered (based on the Mayor's possible consensus add/delete list as of Friday, April 30) and adopted the FY 2011 General Fund Revenue and Expenditure Operating Budget in the amount of \$531,611,539, including the FY 2011 Cash Capital Share of the Capital Improvement Program of \$4,295,000. This budget is based on the City Manager's FY 2011 Proposed Budget of \$534,127,999 with the following amendments identified in the Final Add-Delete spreadsheet, which is attached.

(Note: The actions taken by City Council and the impacts on Departmental budgets will be presented in detail in the FY 2011 Approved Operating Budget and FY 2011 to FY 2020 Capital Improvement Program documents which will be published in early July.)

This memorandum is organized into eight sections as follows:

- I. Expenditure Budget Changes
  - a. Technical Adjustments
  - b. Changes to Proposed General Fund Operating Budget
- II. Revenue Budget Changes
  - a. Technical Adjustments
  - b. Changes to Proposed General Fund Operating Budget
- III. Fund Balance Designations
- IV. Contingent Reserves
- V. Capital Improvement Program (CIP)
- VI. Special Revenue Fund Budget Changes
- VII. Summary of FY 2011 General Fund Budget
- VIII. Comparisons to FY 2010 Approved and FY 2011 Proposed Budgets

**I. Expenditure Budget Changes:**

a.

\$	(783,701)	Comprehensive Services Act - Human Services
\$	(142,000)	Healthcare premium for Kaiser Permanente - City-wide Utilization rate savings at Northern Virginia Juvenile Detention Home - Other Public
\$	(94,532)	Safety
\$	(17,835)	CDBG and HOME revenue re-estimates - Housing
\$	(2,967)	Vehicle Depreciation - Planning and Zoning
\$	(4,157,423)	New construction expenditure shift to Special Revenue Fund - Code Administration
\$	605,002	Homeless Services - Human Services
\$	25,000	Greater Washington Initiative - Economic Development Activities FY 2011 lease increase for Alexandria Convention and Visitors Association -
\$	12,958	Economic Development Activities
\$	1,017	Housing costs for Residential Police Officer - Police

**\$ (4,554,481) Total Technical Expenditure Adjustments**

b.

\$	166,421	Restore COPS positions - Police
\$	100,000	Restore DASH Bus Reductions - Transit Subsidies
\$	15,000	Drug Test Lab Tech - Sheriff
\$	68,795	Restore funding for Deputy Sheriff position - Sheriff
\$	57,539	Restore Caseworker position - Court Service Unit
\$	1,600,000	Contingent Reserves designations (See Section IV below)
\$	180,200	Recycling Bins - TES
\$	10,000	First Night - Economic Development Activities
\$	53,500	King Street Street Cleaners - TES
\$	71,000	Reconciliation Position - Finance
\$	100,000	Wayfinding Sign Program - Cash Capital to the CIP
\$	3,000	Old Town Parking Meters Upgrade - TES
\$	60,000	Old Town Parking Meters Upgrade - Cash Capital
\$	135,000	Increase cash capital to the CIP
\$	25,516	Fort Ward Position
\$	(125,950)	Division Chief - Emergency Communications
\$	(74,000)	Administrative staff - Fire Department
\$	(75,000)	Benchmark and Performance Audits - Non-Departmental
\$	(33,000)	City Resident Survey - Non-Departmental
\$	(300,000)	Travel and Education and Fees for Professional Services - City-wide

**\$ 2,038,021 Net City Expenditure Increases and Reductions (Total)**

**\$ (2,516,460) Total Expenditure Budget Adjustments (a +b)**

**II. Revenue Budget Changes:**

a.

**FY 2011**

\$ 600,000	Increase in Personal Property Tax revenue
\$ (500,000)	Increase in Sales Tax revenue
\$ (900,000)	Decrease in Business License Tax revenue
\$ 300,000	Increase in Bank Franchise revenue
\$ (100,000)	Decrease in Utility Tax revenue
\$ (264,382)	Decrease in Interest on Money and Property
\$ (200,000)	Increase in Transient Lodging Tax revenues
\$ (100,000)	Decrease in Restaurant Meals Tax revenues
\$ 100,000	Increase in Admissions tax revenues
\$ (29,990)	Decrease in License, Permits and Fee revenue
\$ (3,798,000)	Decrease in Code fees
\$ 225,343	Increase in Intergovernmental revenue
\$ 100,000	Increase in Ambulance Charges
\$ 20,549	Increase in Charges for Services
<b>\$ (4,546,480)</b>	<b>Total FY 2011 Technical Revenue Re-estimates</b>

**\$ (4,546,480) Total Decrease in Revenue and Other Sources Recommended by the City Manager**

b.

\$	800,000	Parking meter revenue
\$	92,470	Parking violation fine revenue
\$	133,000	All May Park All Must Pay
\$	180,200	Recycling Bin Revenue
		Cancellation of FY2010 Contingent Reserves and Designation for FY 2011 Operating
\$	755,000	Budget
\$	69,350	Lower King Street Parking

**\$ 2,030,020 Total Increase in Tax and Fee Rates and New Revenues**

**\$ (2,516,460) Total Revenue Increases (a+b)**

### III. Fund Balance Designations

<b>Designations</b>	
	Designated for FY 2011 Operating Budget (created by reducing prior-year
\$	755,000 Contingent Reserves
\$	755,000 Changes in Fund Balance (as of the end of FY 2010)

### IV. Contingent Reserves

\$	1,600,000	WMATA Contingency
\$	1,600,000	Remaining Contingent Reserves

### V. Capital Improvement Program Budget Changes

\$	100,000	Cash Capital - Wayfinding Sign Program
\$	135,000	Cash Capital - Reduction in Borrowing
\$	60,000	Cash Capital - Parking Meter Upgrade
\$	295,000	Total FY 2011 Cash Capital Transfer Increases to the CIP

**VI. Special Revenue Budget Changes**

\$ 4,157,423	New Construction shift to Special Revenue Fund - Code Administration
\$ 2,315,715	Stormwater Management Fund - Capital Improvement Program
\$ 1,312,500	Sanitary Sewer Fund Rate Increase - Capital Improvement Program
<b>\$ 7,785,638</b>	<b>Total Increases to Special Revenue Funds</b>

**VII. Summary of the FY 2011 General Fund Budget**

<b>\$ 534,127,999</b>	FY 2011 Proposed General Fund Operating Revenues and Expenditures
<b>\$ (2,516,460)</b>	Total Change in City General Fund Operating Budget Expenditures over Proposed
<b>\$ 531,611,539</b>	Resulting FY 2011 General Fund Operating Budget
<b>\$ 755,000</b>	Change in Fund Balance Designations (at the end of FY 2010)
<b>\$ 295,000</b>	Change in Cash Capital Funding of the FY 2011-FY 2020 CIP

**VIII. Comparisons to the FY 2010 Approved and FY 2011 Proposed General Fund Budgets**

FY 2010 Approved General Fund Budget	\$365.4	\$164.6	\$530.0
FY 2011 Proposed General Fund Budget	\$366.2	\$167.9	\$534.1
FY 2011 Approved General Fund Budget	\$363.8	\$167.8	\$531.6
Amount Over FY 2010 Approved	-\$1.6	\$3.2	\$1.6
Percent Over FY 2010 Approved	-0.4%	1.9%	0.3%

**FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE**

**COUNCIL MEMBER OPTIONS**

Add/Delete Options Sum of Adds and Deletes	Amount Available	Adopted									Notes
		Mayor Eulife	Vice Mayor Dozier	Councilmen Eason	Councilwomen Hubbs	Councilman Krusick	Councilwoman Parrish	Councilman Zmeder			
1 <b>A. REVENUE ADJUSTMENTS</b>		\$ -	\$ -	(0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -		
2 <b>Real Estate Property Tax Rate</b>											
3 General Real Estate Property Tax Rate Increase/(Decrease) (in cents) One cent = \$3,064,110		0.0	0.0	0.0	(0.9)	(1.4)	0.3	0.0	(0.1)		
4 Real Estate Property Tax Revenue for General Operating Additional Real Estate Property Tax Rate for Stormwater (in cents)		0	0	0	(2,757,699)	(4,289,754)	919,233	0	(306,411)		
5 One cent = \$3,064,110		0.5	0.5	1.0	0.5	0.7	0.5	0.5	0.6		
6 Revenue for Stormwater Management Fund in FY 2011 Add-on Commercial Real Estate Tax (in cents)(Budget Memo #38)		\$ 2,315,715	\$ 2,315,715	\$ 4,631,430	\$ 2,315,715	\$ 3,242,001	\$ 2,315,715	\$ 2,315,715	\$ 2,778,858		Stormwater Management Revenues and Expenses will be segregated in a Special Revenue Fund outside of the General Fund
7 One cent = \$895,660 \$2.7 M (max)		0	0	0	0	0	0	0	0		
8 Commercial Real Estate Tax Revenue for Transportation Total Blended Real Estate Property Tax Rate Increase (in cents)		0	0	0	0	0	0	0	0		
9 Real Estate Property Tax Revenue Impact on General Fund 3.0 (max)		0.5	0.5	1.0	(0.4)	(0.7)	0.8	0.5	0.5		
10 \$9.1 M (max)		0	0	0	(2,757,699)	(4,289,754)	919,233	0	(306,411)		
11 <b>Revised Real Estate Property Tax Rate (in cents)</b>	<b>99.3 (max)</b>	<b>97.8</b>	<b>97.8</b>	<b>98.3</b>	<b>96.9</b>	<b>96.6</b>	<b>98.1</b>	<b>97.8</b>	<b>97.8</b>		
12											

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS									Notes
Add/Delete/Deletion Sum of Adds and Deletes	Amount Available	Adopted	Mayor Fulke	Vice Mayor Dooley	Councilman Eaton	Councilwoman Hutches	Councilman Krusicka	Councilwoman Patterson	Councilman Smedley		
	\$	\$	\$	\$	\$	\$	\$	\$	\$		
13	<b>Other Tax and Fee Revenue Adjustments</b>										
14	Revenue Re-estimate (Budget Memo #67)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	
15a	Stormwater Utility Fee (Budget Memo #5 & #16)	1,130,000	no								Stormwater Management Revenues and Expenses will be segregated in a Special Revenue Fund outside of the General Fund
15b	Sanitary Sewer Fee Increase from \$1.00 to \$1.25 (Budget pp. 18-28, CIP pp. 6-128,129)	1,312,500	yes	yes	yes			yes	yes	yes	Sanitary Sewer Revenues and Expenses will be segregated in a Special Revenue Fund outside of the General Fund
16	Parking Meter Rate Increase (Budget Memo #70)	about 400,000 per 25 cent increase	800,000	800,000	800,000	800,000	1,225,281	800,000	800,000	800,000	
17	Parking Violation Fine Increase (Budget Memo #77)	92,470	92,470	92,470	92,470	92,470	92,470	92,470	92,470	92,470	
18	Abandoned Vehicle Fines (Budget Memo #74)	50,000									
19	All May Park All Must Pay Parking Revenues (Budget Memo #75)	95,000	133,000	133,000	133,000	133,000	152,000	133,000	133,000	133,000	
20	Soft Play Room (set aside estimated revenue in Contingent Reserves for Youth Programs)	40,000						yes			
21	Recycling Bins Refuse Collection Fee (Budget pp. 18-27, 19-31)	180,200	180,200	180,200		180,200		180,200	180,200	180,200	
22	Energy Efficiency Tax Credit (Budget Memo #19)	(7,700)						(7,700)			
27	Lower King St. Area Parking Meters (Budget Memo #76 & #92)	69,350	69,350	40,000		40,000		40,000	40,000	40,000	
28	<b>TOTAL REVENUE INCREASES/(DECREASES)</b>		<b>(3,271,460)</b>	<b>(3,300,810)</b>	<b>(3,521,010)</b>	<b>(6,058,509)</b>	<b>(7,366,483)</b>	<b>(2,389,277)</b>	<b>(3,300,810)</b>	<b>(3,607,221)</b>	

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS								Notes
Add/Delete Options Sum of Adds and Deletes	Amount Available	Adopted	Meyer Isithe	Vice Mayor Donlar	Councilman Fannon	Councilwoman Hughes	Councilman Krusiecka	Councilwoman Paster	Councilman Smedley	
	\$	\$	\$	\$	(0) \$	\$	\$	\$	\$	
29	<b>B. CITY EXPENDITURE INCREASES (Enter as a Positive Number)</b>									
30										
31										
32	<b>City Council Additions</b>									
33	Restore COPS Positions (Budget Memos #11 & #29)	249,631	166,421	166,421	83,210	166,421	249,631	166,421	249,631	166,421
34	Restore DASH Bus Reductions (Budget Memo #30 and #95)	up to 293,211	100,000	100,000	61,000	100,000	150,000	177,000	200,000	61,000
35	Holiday Lights (6 months ) (Budget Memo #62)	up to \$139,300							57,150	
36	Wayfinding Sign Program (Budget Memo #39)	up to 250,360	100,000	100,000		100,000	100,000	100,000	100,000	100,000
37	Sheriff (Drug Test Lab Tech) (Budget Memo #72)	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
38	Sheriff's Office									
39	Restore Funding for Deputy Sheriff position (Budget p. 12 65)	68,795	68,795	68,795		68,795	68,795	68,795	68,795	68,795
40	Restore Court Service Unit Caseworker (Budget Memo #50)	57,539	57,539	57,539	57,539	57,539			57,539	
41	Contingent Reserves for WMATA (Budget Memo #63)	up to 1,900,000	1,600,000	1,600,000	1,600,000	1,600,000	700,000	1,600,000	1,600,000	1,600,000
43	Contingent Reserves for Youth Program Enhancements	40,000								
44	Contingent Reserves for Arlandria Planning Efforts or Capital Needs to support Arlandria Community Development						50,000			
45	Recycling Bins Refuse Collection Bins (Budget pp. 18-27 & 18-31)	180,200	180,200	180,200		180,200		180,200	180,200	180,200
46	RPCA Volunteer Coordinator (Budget Memo #69)	78,000								
47	First Night		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
48	Lower King St. Area Parking Meters (Budget Memo #76 & #92)	63,000	63,000	40,000		40,000		40,000	40,000	40,000
49	King Street Street Cleaners (Budget pp. 18-26)	53,500	53,500	53,500			53,500		53,500	53,500
50	Alexandria Pipe and Drum Funding (Budget Memo #57)	5,130			5,000	5,000	5,000		2,600	
51	Finance Staff Reconciliation (Budget Memo #83)	71,000	71,000	71,000	71,000	71,000	71,000	71,000	71,000	71,000
52	Headstart for Cora Kelly									
53	Fort Ward Position (Budget pp. 17-8)	up to 25,516	25,516	25,516		25,516	25,516		25,516	
54	Alexandria Black History Museum Curator Position						see note			
55	City Council Contingent Reserves									39,000
56	No VA Community College CIP Request (CIP pp. 6-154)	34,487			34,487					
57	Increase Cash Capital for CIP		135,000	128,650	277,485			988,013	35,690	255,294
58	<b>TOTAL CITY EXPENDITURE INCREASES</b>		<b>2,645,971</b>	<b>2,616,621</b>	<b>2,214,721</b>	<b>2,439,471</b>	<b>1,498,442</b>	<b>3,416,429</b>	<b>2,766,621</b>	<b>2,660,210</b>

Councilwoman Hughes recommends that this position be unfunded - not eliminated. The City Manager's proposed budget is in accord with this recommendation.

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE

COUNCIL MEMBER OPTIONS

Amount Available	Adopted	COUNCIL MEMBER OPTIONS								
		Mayer Fuller	Vice Mayor Donitz	Councilman Fannon	Councilwoman Harris	Councilman Krapnick	Councilwoman Pappert	Councilman Smathers	Notes	
	\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -		
59										
60	<b>C. CITY EXPENDITURE REDUCTIONS (enter as a negative number)</b>									
61										
62	Expenditure Technical Adjustments (Budget Memo #66)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	
63										
64	<b>City Council Deletions</b>									
65										
66	<b>Tier I from Budget Memo #64</b>									
67	Emergency Communications Division Chief (Budget Memo #89)	(125,950)	(125,950)	(125,950)	(125,950)	(125,950)	(62,975)	(125,950)	(125,950)	
68	Fire Administrative Staffing (Budget p. 14-17)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	
69	Air Quality Monitoring (reduce contingent reserve)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	
70	Real Estate Commercial Appraiser (Budget p. 13-96)	(100,000)								
71	Contingent Reserves (Budget Memo #21)	(300,000)								
72	Schools Transfer	(425,000)	(125,000)	(225,000)	(425,000)		(425,000)	(425,000)	(425,000)	
73	Street/Sidewalk Paving	(232,000)								
74										
75	<b>Tier II from Budget Memo #64</b>									
76	Watson Wyatt Implementation (reduce contingent reserve)	(350,000)	(350,000)	(350,000)	(250,000)	(350,000)	(350,000)	(350,000)	(350,000)	
77	Home Ownership Assistance (reduce contingent reserve)	(255,000)	(255,000)	(255,000)		(255,000)	(255,000)	(255,000)	(255,000)	
78	Beatley Library Sunday Closing (Budget Memo #22)	(60,527)								
79	Historic Alexandria Museums	(25,884)								
80	Alexandria Arts District (reduce contingent reserve)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	
81	Forestry Maintenance	(87,000)		(87,000)	(87,000)	(87,000)				
82	Schools Transfer	(425,000)			(425,000)					
83	Recreation Centers Closed One Day Per Week	(136,000)								
84	Street/Sidewalk Paving	(232,000)								

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS								
Add/Delete Options Sum of Adds and Deletes	Amount Available	Adopted	Mayor	Vice Mayor	Councilman	Councilwoman	Councilman	Councilwoman	Councilman	Notes
		\$ -	Lulla	Danals	Fannon	Hughes	Kruecke	Posner	Smedley	
		\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -	
85										
86	<b>Tier III from Budget Memo #64</b>									
87	EMS Peak Medic Unit (Budget Memo #32)	(150,000)								
88	Benchmark & Performance Audits	(150,000)		(150,000)		(150,000)				
89	Urban Forestry Plan (reduce contingent reserve)	(80,000)								
90	Schools Transfer	(425,000)								
91	Street/Sidewalk Paving	(232,000)								
92										
93	<b>Other Reduction Options</b>									
94	Charles Houston Recreation Center Early Morning Hours (Budget Memo #71)	(26,250)		(26,250)			(26,250)			
95	Employee Merit/Step Program (Budget Memo #12 and #65)	(2,800,000)			(800,000)					
96	Q Step (Budget Memo #12 and #65)	(570,000)								
97	City Resident Survey (Budget pp. 13-86)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	
98	4 days city-wide furlough non-Public Safety employees (Budget Memo #65)	560,000 per day								
99	Travel and Education (Budget Memo #73)	up to (838,937)	(300,000)	(250,000)	(250,000)	(250,000)	(470,000)	(300,000)	(100,000)	(300,000)
100	Marketing Fund (Budget pp. 16-23)	(184,000)		(10,000)						
102	Contract and Consulting Fees (Budget Memo #78)	37,721,548			(1,000,000)	(2,500,000)				
103	Office of Housing Lending and Loan Management Home Ownership Program (Budget pp. 16-7, 16-12)	up to (381,219)				(381,219)				
104	Office of Housing Rehabilitation Program (Budget pp. 16-8, 16-12)	no G. F. budgeted								
105										
109										
110	<b>TOTAL CITY EXPENDITURE REDUCTIONS</b>	(5,917,431)	(5,917,431)	(5,735,731)	(8,529,431)	(9,130,650)	(5,805,706)	(6,067,431)	(6,267,431)	
111										
112	<b>NET CITY EXPENDITURE INCREASES/(REDUCTIONS)</b>	(3,271,460)	(3,300,810)	(3,521,010)	(6,089,960)	(7,632,208)	(2,389,277)	(3,300,810)	(3,607,221)	
113										
114	<b>D. SCHOOLS TRANSFER (enter as a positive or negative number)</b>									
115	Increase/(Decrease) in the General Fund Transfer to the Schools (Budget Memos #13, #55, #60, #61, #96)	(167,886,567)								
116										
117	<b>TOTAL EXPENDITURE INCREASES/DECREASES</b>	(3,271,460)	(3,300,810)	(3,521,010)	(6,089,960)	(7,632,208)	(2,389,277)	(3,300,810)	(3,607,221)	
118	<b>REVENUE SURPLUS/(SHORTFALL)</b>	0	0	(0)	31,451	265,725	0	0	0	

The reduction in contract and consulting fees are based on consultant costs, giving discretion to the City Manager to reduce these costs as he best sees fit by that amount.



FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS									Notes
Amount Available	Adopted	Mayor	Vice Mayor	Councilman	Councilwoman	Councilman	Councilwoman	Councilman	Councilwoman		
		Exelle	Donley	Fannon	Huebsa	Krueick	Passer	Smolbeck			
141	\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -	\$ -		
142	<b>F. CONTINGENT RESERVE DESIGNATIONS (enter as a positive number)</b>										
143	<b>\$300,000 Available in Proposed Budget</b>										
144	Contingent Reserves for WMATA	1,600,000	1,600,000	1,600,000	1,600,000	700,000	1,600,000	1,600,000	1,600,000		
147	Contingent Reserves for Youth Program Enhancements										
148	Contingent Reserves for Arlandria Planning Efforts or Capital Needs to support Arlandria Community Development					50,000					
149	Unspecified Addition to Contingent Reserves										39,000
150	Enter Contingent Reserve Designations Here										
151	Enter Contingent Reserve Designations Here										
155	<b>TOTAL CONTINGENT RESERVE DESIGNATIONS</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>750,000</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>1,600,000</b>	<b>1,639,000</b>	
157	<b>G. SUMMARY OF FY 2011 BUDGET IMPACT</b>										
159	FY 2011 Proposed General Fund Budget:	\$34,127,999	\$34,127,999	\$34,127,999	\$34,127,999	\$34,127,999	\$34,127,999	\$34,127,999	\$34,127,999	\$34,127,999	
160	FY 2011 General Fund Budget After Adds & Deletes:	\$31,611,539	\$31,582,189	\$31,006,989	\$28,793,039	\$27,250,791	\$32,493,722	\$31,582,189	\$31,275,778	\$31,275,778	
161	\$ Change from FY 2011 Proposed:	(2,516,460)	(2,545,810)	(3,121,010)	(5,334,960)	(6,877,208)	(1,634,277)	(2,545,810)	(2,852,221)	(2,852,221)	
162	% Change from FY 2011 Proposed:	-0.5%	-0.5%	-0.6%	-1.0%	-1.3%	-0.3%	-0.5%	-0.5%	-0.5%	
163	\$ Change from FY 2010 Approved:	1,606,520	1,579,170	1,003,970	(1,209,980)	(2,752,228)	2,490,703	1,579,170	1,272,759	1,272,759	
164	% Change from FY 2010 Approved:	0.3%	0.3%	0.2%	-0.2%	-0.5%	0.5%	0.3%	0.2%	0.2%	

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5-3-10

**Docket Item #2 –  
Councilwoman Hughes  
Motion to Adopt the Annual Operating Budget for FY 2011 (including Schools) and the Capital  
Improvements Program for FY 2011 – 2020**

Mr. Mayor, I move the adoption of the annual general fund operating budget for FY 2011 of \$527,250,791 with the following amendments to the City Manager’s Proposed Budget:

Technical expenditure decreases (net of increases) of \$4,554,481

Other expenditure decreases (net of increases) of \$2,322,727

Revenue Re-estimate decreases (net of increases) of \$4,546,480 and

Tax and fee rate and new revenue increases including an increase in the appropriation of fund balance of \$2,330,728.

The total decrease in expenditures compared to the City Manager’s Proposed Budget is \$6,877,208, including an increase in cash capital funding of the FY 2011 – 2020 Capital Improvement Program of \$100,000 and an increase in Contingent Reserves of \$750,000. The proposed budget of \$527,250,791 requires an increase in the appropriation of fund balance proposed in the City Manager’s budget of \$489,275.

In addition, I move that we authorize the City Manager to make technical adjustments to each affected Departmental Budget from the Non-Departmental Budget to reflect the proper allocation to departmental budgets of the adjustments related to items such as health insurance premiums, travel and education, fuel, postage and consulting services, details of these adjustments will be presented for approval by City Council in the context of the FY 2011 Appropriations Ordinance in the June.

City of Alexandria, Virginia

2  
5-3-10

MEMORANDUM

DATE: ~~MAY 3, 2010~~ April 30, 2010  
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL  
FROM: JAMES K. HARTMANN, CITY MANAGER *J*  
SUBJECT: BUDGET MEMO: 97 FY 2011 BUDGET ADOPTION - DRAFT OF TENTATIVE ACTIONS FOR MONDAY NIGHT

The following represents the budget actions to be considered during budget adoption Monday, May 3, 2010. City Council will consider (based on the Mayor's possible consensus add/delete list as of Friday, April 30) and adopt the FY 2011 General Fund Revenue and Expenditure Operating Budget in the amount of \$531,611,539, including the FY 2011 Cash Capital Share of the Capital Improvement Program of \$4,295,000. This budget is based on the City Manager's FY 2011 Proposed Budget of \$534,127,999 with the following amendments derived from the "Mayor's possible consensus" option identified in the Final Add-Delete spreadsheet, which is attached. Of course, any changes made at the Final Add-Delete work session at 5:30 p.m. will be incorporated into these draft actions prior to adoption at the Special Session to be held at approximately 6:30 p.m.

(Note: The actions taken by City Council and the impacts on Departmental budgets will be presented in detail in the FY 2011 Approved Operating Budget and FY 2011 to FY 2020 Capital Improvement Program documents which will be published in early July.)

This memorandum is organized into eight sections as follows:

- I. Expenditure Budget Changes
  - a. Technical Adjustments
  - b. Changes to Proposed General Fund Operating Budget
- II. Revenue Budget Changes
  - a. Technical Adjustments
  - b. Changes to Proposed General Fund Operating Budget
- III. Fund Balance Designations
- IV. Contingent Reserves
- V. Capital Improvement Program (CIP)
- VI. Special Revenue Fund Budget Changes
- VII. Summary of FY 2011 General Fund Budget
- VIII. Comparisons to FY 2010 Approved and FY 2011 Proposed Budgets

**I. Expenditure Budget Changes:**

a.

\$ (783,701)	Comprehensive Services Act - Human Services
\$ (142,000)	Healthcare premium for Kaiser Permanente - City-wide Utilization rate savings at Northern Virginia Juvenile Detention Home - Other Public
\$ (94,532)	Safety
\$ (17,835)	CDBG and HOME revenue re-estimates - Housing
\$ (2,967)	Vehicle Depreciation - Planning and Zoning
\$ (4,157,423)	New construction expenditure shift to Special Revenue Fund - Code Administration
\$ 605,002	Homeless Services - Human Services
\$ 25,000	Greater Washington Initiative - Economic Development Activities FY 2011 lease increase for Alexandria Convention and Visitors Association -
\$ 12,958	Economic Development Activities
\$ 1,017	Housing costs for Residential Police Officer - Police
<b>\$ (4,554,481)</b>	<b>Total Technical Expenditure Adjustments</b>

b.

\$ 166,421	Restore COPS positions - Police
\$ 100,000	Restore DASH Bus Reductions - Transit Subsidies
\$ 15,000	Drug Test Lab Tech - Sheriff
\$ 68,795	Restore funding for Deputy Sheriff position - Sheriff
\$ 57,539	Restore Caseworker position - Court Service Unit
\$ 1,600,000	Contingent Reserves designations (See Section IV below)
\$ 180,200	Recycling Bins - TES
\$ 10,000	First Night - Economic Development Activities
\$ 53,500	King Street Street Cleaners - TES
\$ 71,000	Reconciliation Position - Finance
\$ 100,000	Wayfinding Sign Program - Cash Capital to the CIP
\$ 3,000	Old Town Parking Meters Upgrade - TES
\$ 60,000	Old Town Parking Meters Upgrade - Cash Capital
\$ 135,000	Increase cash capital to the CIP
\$ 25,516	Fort Ward Position
\$ (125,950)	Division Chief - Emergency Communications
\$ (74,000)	Administrative staff - Fire Department
\$ (33,000)	City Resident Survey - Non-Departmental
\$ (250,000)	Travel and Education - City-wide
\$ (125,000)	Transfer to ACPS - ACPS
<b>\$ 2,038,021</b>	<b>Net City Expenditure Increases and Reductions (Total)</b>

**\$ (2,516,460) Total Expenditure Budget Adjustments (a +b)**

**II. Revenue Budget Changes:**

a.

<b>FY 2011</b>	
\$ 600,000	Increase in Personal Property Tax revenue
\$ (500,000)	Increase in Sales Tax revenue
\$ (900,000)	Decrease in Business License Tax revenue
\$ 300,000	Increase in Bank Franchise revenue
\$ (100,000)	Decrease in Utility Tax revenue
\$ (264,382)	Decrease in Interest on Money and Property
\$ (200,000)	Increase in Transient Lodging Tax revenues
\$ (100,000)	Decrease in Restaurant Meals Tax revenues
\$ 100,000	Increase in Admissions tax revenues
\$ (29,990)	Decrease in License, Permits and Fee revenue
\$ (3,798,000)	Decrease in Code fees
\$ 225,343	Increase in Intergovernmental revenue
\$ 100,000	Increase in Ambulance Charges
\$ 20,549	Increase in Charges for Services
<b>\$ (4,546,480)</b>	<b>Total FY 2011 Technical Revenue Re-estimates</b>
<b>\$ (4,546,480)</b>	<b>Total Decrease in Revenue and Other Sources Recommended by the City Manager</b>

b.

\$	800,000	Parking meter revenue
\$	92,470	Parking violation fine revenue
\$	133,000	All May Park All Must Pay
\$	180,200	Recycling Bin Revenue
		Cancellation of FY2010 Contingent Reserves and Designation for FY 2011 Operating
\$	755,000	Budget
\$	69,350	Lower King Street Parking

**\$ 2,030,020 Total Increase in Tax and Fee Rates and New Revenues**

**\$ (2,516,460) Total Revenue Increases (a+b)**

**III. Fund Balance Designations**

<b>Designations</b>		
		Designated for FY 2011 Operating Budget (created by reducing prior-year
\$	755,000	Contingent Reserves
\$	755,000	<b>Changes in Fund Balance (as of the end of FY 2010)</b>

**IV. Contingent Reserves**

\$	1,600,000	WMATA Contingency
\$	1,600,000	<b>Remaining Contingent Reserves</b>

**V. Capital Improvement Program Budget Changes**

\$	100,000	Cash Capital - Wayfinding Sign Program
\$	135,000	Cash Capital - Reduction in Borrowing
\$	60,000	Cash Capital - Parking Meter Upgrade
\$	295,000	<b>Total FY 2011 Cash Capital Transfer Increases to the CIP</b>

**VI. Special Revenue Budget Changes**

\$ 4,157,423	New Construction shift to Special Revenue Fund - Code Administration
\$ 2,315,715	Stormwater Management Fund - Capital Improvement Program
\$ 1,312,500	Sanitary Sewer Fund Rate Increase - Capital Improvement Program
<b>\$ 7,785,638</b>	<b>Total Increases to Special Revenue Funds</b>

**VII. Summary of the FY 2011 General Fund Budget**

<b>\$ 534,127,999</b>	FY 2011 Proposed General Fund Operating Revenues and Expenditures
<b>\$ (2,516,460)</b>	Total Change in City General Fund Operating Budget Expenditures over Proposed
<b>\$ 531,611,539</b>	<b>Resulting FY 2011 General Fund Operating Budget</b>
<b>\$ 755,000</b>	Change in Fund Balance Designations (at the end of FY 2010)
<b>\$ 295,000</b>	Change in Cash Capital Funding of the FY 2011-FY 2020 CIP

**VIII. Comparisons to the FY 2010 Approved and FY 2011 Proposed General Fund Budgets**

FY 2010 Approved General Fund Budget	\$365.4	\$164.6	\$530.0
FY 2011 Proposed General Fund Budget	\$366.2	\$167.9	\$534.1
FY 2011 Approved General Fund Budget	\$363.8	\$167.8	\$531.6
Amount Over FY 2010 Approved	-\$1.6	\$3.2	\$1.6
Percent Over FY 2010 Approved	-0.4%	1.9%	0.3%

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS								Notes
Add/Delete Options Sum of Adds and Deletes	Amount Available	Mayor's Possible Consensus	Mayor Fuller	Vice Mayor Dopler	Councilman Fannon	Councilwoman Harbo	Councilman Kravicko	Councilwoman Pomeroy	Councilman Strassburg	
1 A. REVENUE ADJUSTMENTS		\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -	
2	Real Estate Property Tax Rate									
3	General Real Estate Property Tax Rate Increase/(Decrease) (in cents) One cent = \$3,064,110	0.0	0.0	0.0	(0.9)	(1.4)	0.3	0.0	(0.1)	
4	Real Estate Property Tax Revenue for General Operating	0	0	0	(2,757,699)	(4,289,754)	919,233	0	(306,411)	
5			0.5	1.0	0.5	0.7	0.5	0.5	0.5	
6										Stormwater Management Revenues and Expenses will be segregated in a Special Revenue Fund outside of the General Fund
7										
8										
9	Total Blended Real Estate Property Tax Rate Increase (in cents) 3.0 (max)	0.5	0.5	1.0	(0.4)	(0.7)	0.8	0.5	0.5	
10	Real Estate Property Tax Revenue Impact on General Fund \$9.1 M (max)	0	0	0	(2,757,699)	(4,289,754)	919,233	0	(306,411)	
11	Revised Real Estate Property Tax Rate (in cents) 99.3 (max)	97.8	97.8	98.3	96.9	96.6	98.1	97.8	97.8	
12										

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS									Notes
Add/Delete Options Sum of Add and Delete	Amount Available	Mayor's Possible Consensus	Mayor	Vice Mayor	Councilman	Councilwoman	Councilman	Councilwoman	Councilman		
			Fuller	Donner	Fannon	Huebs	Krusika	Parsons	Smollett		
13	Other Tax and Fee Revenue Adjustments	\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -	\$ -	
14	Revenue Re-estimates (Budget Memo #67)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	(4,546,480)	
15a											
15b			yes	yes			yes	yes	yes		
16	Parking Meter Rate Increase (Budget Memo #70) about 400,000 per 25 cent increase	800,000	800,000	800,000	800,000	1,215,281	800,000	800,000	800,000	800,000	
17	Parking Violation Fine Increase (Budget Memo #77)	92,470	92,470	92,470	92,470	92,470	92,470	92,470	92,470	92,470	
18	Abandoned Vehicle Fines (Budget Memo #74)	50,000									
19	All May Park All Must Pay Parking Revenues (Budget Memo #75)	95,000	133,000	133,000	133,000	152,000	133,000	133,000	133,000	133,000	
20	Soft Play Room (set aside estimated revenue in Contingent Reserves for Youth Programs)	40,000					yes				
21	Recycling Bins Refuse Collection Fee (Budget pp. 18-27, 19-31)	180,200	180,200	180,200	180,200		180,200	180,200	180,200	180,200	
22	Energy Efficiency Tax Credit (Budget Memo #19)	(7,700)					(7,700)				
27	Lower King St. Area Parking Meters (Budget Memo #76 & #92)	69,350	69,350	40,000	40,000		40,000	40,000	40,000	40,000	
28											

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE

COUNCIL MEMBER OPTIONS

Add/Delete Action Sum of Adds and Deletes	Amount Available	Mayor's Possible Consensus	COUNCIL MEMBER OPTIONS							Notes
			Mayor Estelle	Vice Mayor Donker	Councilman Farnsworth	Councilwoman Hughes	Councilman Krueck	Councilwoman Pinner	Councilman Smallbone	
		\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -		
29										
30	<b>B. CITY EXPENDITURE INCREASES (Enter as a Positive Number)</b>									
31										
32	<b>City Council Additions</b>									
33	Restore COPS Positions (Budget Memos #11 & #29)	249,631	166,421	166,421	83,218	166,421	249,631	166,421	249,631	166,421
34	Restore DASH Bus Reductions (Budget Memo #30 and #95)	up to 293,211	100,000	100,000	61,000	100,000	150,000	177,000	200,000	61,000
35	Holiday Lights (6 months) (Budget Memo #62)	up to \$139,300							57,150	
36	Wayfinding Sign Program (Budget Memo #39)	up to 250,360	100,000	100,000		100,000	100,000	100,000	100,000	100,000
37	Sheriff (Drug Test Lab Tech) (Budget Memo #72)	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
38	Sheriff's Office									
39	Restore Funding for Deputy Sheriff position (Budget p. 12 65)	68,795	68,795	68,795		68,795	68,795	68,795	68,795	68,795
40	Restore Court Service Unit Caseworker (Budget Memo #50)	57,539	57,539	57,539	57,539				57,539	
41	Contingent Reserves for WMATA (Budget Memo #63)	up to 1,900,000	1,600,000	1,600,000	1,600,000	1,600,000	790,000	1,600,000	1,600,000	1,600,000
43	Contingent Reserves for Youth Program Enhancements	40,000								
44	Contingent Reserves for Arlandria Planning Efforts or Capital Needs to support Arlandria Community Development						50,000			
45	Recycling Bins Refuse Collection Bins (Budget pp. 18-27 & 18-31)	180,200	180,200	180,200		180,200		180,200	180,200	180,200
46	RPCA Volunteer Coordinator (Budget Memo #69)	78,000								
47	First Night	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
48	Lower King St. Area Parking Meters (Budget Memo #76 & #92)	63,000	63,000	40,000		40,000		40,000	40,000	40,000
49	King Street Street Cleaners (Budget pp. 18-26)	53,500	53,500	53,500			53,500		53,500	53,500
50	Alexandria Pipe and Drum Funding (Budget Memo #57)	5,130			5,000	5,000	5,000		2,600	
51	Finance Staff Reconciliation (Budget Memo #83)	71,000	71,000	71,000	71,000	71,000	71,000	71,000	71,000	71,000
52	Headstart for Cora Kelly									
53	Fort Ward Position (Budget pp. 17-8)	up to 25,516	25,516	25,516		25,516	25,516		25,516	
54	Alexandria Black History Museum Curator Position						see note			
55	City Council Contingent Reserves									39,000
56	No VA Community College CIP Request (CIP pp. 6-154)	34,487			34,487					
57	Increase Cash Capital for CIP		135,000	128,650	277,485			988,013	35,690	255,294
58										

Councilwoman Hughes recommends that this position be unfunded - not eliminated. The City Manager's proposed budget is in accord with this recommendation.

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS									Notes
Add/Delete Section Sum of Adds and Deletes	Amount Available	Mayor's Possible Consensus	Mayor	Vice Mayor	Councilman	Councilwoman	Councilman	Councilwoman	Councilman		
		\$	Enlis	Donitz	Emanon	Hutbas	Kruelick	Passer	Smathers		
59		\$ -	\$ -	\$ -	(0) \$	31,451 \$	265,725 \$	0 \$	- \$	- \$	
60	<b>C. CITY EXPENDITURE REDUCTIONS (enter as a negative number)</b>										
61											
62	Expenditure Technical Adjustments (Budget Memo #66)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	(4,554,481)	
63											
64	<b>City Council Deletions</b>										
65											
66	<b>Tier I from Budget Memo #64</b>										
67	Emergency Communications Division Chief (Budget Memo #89)	(125,950)	(125,950)	(125,950)	(125,950)	(125,950)	(125,950)	(125,950)	(125,950)	(125,950)	
68	Fire Administrative Staffing (Budget p. 14-17)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	(74,000)	
69	Air Quality Monitoring (reduce contingent reserve)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	
70	Real Estate Commercial Appraiser (Budget p. 13-96)	(100,000)									
71	Contingent Reserves (Budget Memo #21)	(300,000)									
72	Schools Transfer	(425,000)	(125,000)	(125,000)	(225,000)	(425,000)			(425,000)	(425,000)	
73	Street/Sidewalk Paving	(232,000)									
74											
75	<b>Tier II from Budget Memo #64</b>										
76	Watson Wyatt Implementation (reduce contingent reserve)	(350,000)	(350,000)	(350,000)	(250,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	
77	Home Ownership Assistance (reduce contingent reserve)	(255,000)	(255,000)	(255,000)		(255,000)	(255,000)	(255,000)	(255,000)	(255,000)	
78	Beatley Library Sunday Closing (Budget Memo #22)	(60,527)									
79	Historic Alexandria Museums	(25,884)									
80	Alexandria Arts District (reduce contingent reserve)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	
81	Forestry Maintenance	(87,000)		(87,000)	(87,000)	(87,000)					
82	Schools Transfer	(425,000)			(425,000)						
83	Recreation Centers Closed One Day Per Week	(136,000)									
84	Street/Sidewalk Paving	(232,000)									

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS								Notes
Add/Delete Options Sum of Adds and Deletes	Amount Available	Mayor's Possible Consensus	Mayor Egalla	Vice Mayor Danzon	Councilman Emmons	Councilwoman Hathas	Councilman Kranika	Councilwoman Emmett	Councilman Smedley	
		\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -	
85										
86	<b>Tier III from Budget Memo #64</b>									
87	EMS Peak Medic Unit (Budget Memo #32)	(150,000)								
88	Benchmark & Performance Audits	(150,000)		(150,000)		(150,000)				
89	Urban Forestry Plan (reduce contingent reserve)	(80,000)								
90	Schools Transfer	(425,000)								
91	Street/Sidewalk Paving	(232,000)								
92										
93	<b>Other Reduction Options</b>									
94	Charles Houston Recreation Center Early Morning Hours (Budget Memo #71)	(26,250)		(26,250)			(26,250)			
95	Employee Merit/Step Program (Budget Memo #12 and #65)	(2,800,000)			(800,000)					
96	Q Step (Budget Memo #12 and #65)	(570,000)								
97	City Resident Survey (Budget pp. 13-86)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	
98	4 days city-wide furlough non-Public Safety employees (Budget Memo #65)	560,000 per day								
99	Travel and Education (Budget Memo #73)	up to (838,937)	(250,000)	(250,000)	(250,000)	(470,000)	(300,000)	(100,000)	(900,000)	
100	Marketing Fund (Budget pp. 16-23)	(184,000)		(10,000)						
101										
102	Contract and Consulting Fees (Budget Memo #7B)	37,721,548			(1,000,000)	(2,500,000)				
103	Office of Housing Lending and Loan Management Home Ownership Program (Budget pp. 16-7, 16-12)	up to (381,219)				(381,219)				
104	Office of Housing Rehabilitation Program (Budget pp. 16- 8, 16-12)	no G. F. budgeted								
105										
109										
110										
111										
112										
113										
114	<b>D. SCHOOLS TRANSFER (enter as a positive or negative number)</b>									
115	Increase/(Decrease) in the General Fund Transfer to the Schools (Budget Memos #13, #55, #60, #61, #96)	(167,886,567)								
116										
117										
118										

The reduction in contract and consulting fees are based on consultant costs, giving discretion to the City Manager to reduce these costs as he best sees fit by that amount.

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS								Notes
Add/Deletes Origins Sum of Adds and Deletes	Amount Available	Mayor's Possible Consensus	Mayor Eullin	Vice Mayor Deakox	Councilman Fannon	Councilwoman Hushon	Councilman Krawick	Councilwoman Prewett	Councilman Smallbone	
	\$ -	\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -	
119 <b>FUND BALANCE (enter as a positive or negative number)</b>										
120										
121 <b>Changes in Fund Balance</b>										
122										
123 Add'l FY 2010 Revenue from FY 2011 Real Estate Tax Rate Increase		0	0	0	(1,410,588)	(2,194,248)	470,196	0	(156,732)	
124 Additional Fund Balance Available by Reducing Council Contingent Reserves from FY 2010 and Previous Years (Budget Memo #21)	up to 1,581,000	755,000	755,000	400,000	755,000	755,000	755,000	755,000	755,000	
125 Add'l Use of Fund Balance (Above \$4.7M in Proposed Budget)										
126 (Requires Council Supermajority)										
127										
128										
129										
130 <b>Fund Balance Designations (No FY 2011 Budget Impact)</b>										
131 Leadership Development Training for Members of Boards and Commissions						40,000				
133 FY 2011 Operating Budget (Created by Reducing Prior Year Contingent Reserves)	up to 1,581,000	755,000	755,000	400,000	755,000	755,000	755,000	755,000	755,000	
139										
140										

FY 2011 GENERAL FUND OPERATING BUDGET ADD/DELETE		COUNCIL MEMBER OPTIONS								Notes
Add/Delete Options Sum of Adds and Deletes	Amount Available	Mayor's Possible Consensus	Mayor Elliott	Vice Mayor Dooler	Councilman Fannon	Councilwoman Hutches	Councilman Krupicka	Councilwoman Pascor	Councilman Smedley	
		\$ -	\$ -	\$ (0)	\$ 31,451	\$ 265,725	\$ 0	\$ -	\$ -	
<b>F. CONTINGENT RESERVE DESIGNATIONS (enter as a positive number)</b>										
<b>\$300,000 Available in Proposed Budget</b>										
Contingent Reserves for WMATA		1,600,000	1,600,000	1,600,000	1,600,000	700,000	1,600,000	1,600,000	1,600,000	
Contingent Reserves for Youth Program Enhancements										
Contingent Reserves for Arlandria Planning Efforts or Capital Needs to support Arlandria Community Development						50,000				
Unspecified Addition to Contingent Reserves										39,000
Enter Contingent Reserve Designations Here										
Enter Contingent Reserve Designations Here										
<b>G. SUMMARY OF FY 2011 BUDGET IMPACT</b>										
FY 2011 Proposed General Fund Budget:		534,127,999	534,127,999	534,127,999	534,127,999	534,127,999	534,127,999	534,127,999	534,127,999	534,127,999
FY 2011 General Fund Budget After Adds & Deletes:		531,611,539	531,582,189	531,006,989	528,793,039	527,250,791	532,493,722	531,582,189	531,275,778	
\$ Change from FY 2011 Proposed:		(2,516,460)	(2,545,810)	(3,121,010)	(5,334,960)	(6,877,208)	(1,634,277)	(2,545,810)	(2,852,221)	
% Change from FY 2011 Proposed:		-0.5%	-0.5%	-0.6%	-1.0%	-1.3%	-0.3%	-0.5%	-0.5%	
\$ Change from FY 2010 Approved:		1,608,520	1,579,170	1,003,970	(1,209,980)	(2,732,228)	2,490,703	1,579,170	1,272,759	
% Change from FY 2010 Approved:		0.3%	0.3%	0.2%	-0.2%	-0.5%	0.5%	0.3%	0.2%	

2,3,4,5  
5-3-10

**Docket Item #2**

**Motion to Adopt the Annual Operating Budget for FY 2011 (including Schools) and the Capital Improvements Program for FY 2011 – 2020**

Mr. Mayor, I move the adoption of the annual general fund operating budget for FY 2011 of \$531,611,539 with the following amendments to the City Manager's Proposed Budget. The details of each amendment are described in the April 30, 2010, memo from the City Manager "FY 2011 Budget Adoption – Draft of Tentative Actions for Monday Night" accompanying docket item #2:

Technical expenditure decreases (net of increases) of \$4,554,481

Other expenditure increases (net of decreases) of \$2,038,021

Revenue Re-estimate decreases (net of increases) of \$4,546,480 and

Tax and fee rate and new revenue increases of \$2,030,020.

The total increase in expenditures compared to the City Manager's Proposed Budget is \$2,516,460, including an increase in cash capital funding of the FY 2011 – 2020 Capital Improvement Program of \$295,000 and an increase in Contingent Reserves of \$1,600,000.

In addition, I move that we authorize the City Manager to make technical adjustments to each affected Departmental Budget from the Non-Departmental Budget to reflect the proper allocation to departmental budgets of the adjustments related to items such as health insurance premiums, travel and education, fuel, postage and consulting services, details of these adjustments will be presented for approval by City Council in the context of the FY 2011 Appropriations Ordinance in the June.

**Motion to Assign Special Projects to the  
Budget and Fiscal Affairs Advisory Committee (BFAAC) in FY 2011**

Mr. Mayor, I move that the City Council assign the Budget and Fiscal Affairs Advisory Committee (BFAAC) the following special projects in the 2011 Fiscal Year:

1. BFAAC should work with City staff to develop adequate metrics to evaluate the total financial burden from all taxes, fees, fines and charges on the average resident in the City of Alexandria.
2. BFAAC should work with City staff to propose an amendment to the City's debt-related financial guidelines that includes a policy, similar to other guidelines, on the use of Cash Capital from current revenues, prior year surpluses, and other sources to fund the Capital Improvement Program.
3. BFAAC should work with City staff to examine the use and funding of City contracts and consultant services and the provision of funding for employee travel and education expenses.

**Motion to Express the Intent and Understanding of City Council that the School Board Will Set-Aside a Portion of the Schools Operating Budget Transfer for Future Virginia Retirement System Costs**

It is the intent and understanding of the City Council in adopting the FY 2011 General Fund Operating Budget:

1. That the Schools realized \$2.0 million in savings in FY 2010 from the waiver of their 4th quarter Virginia Retirement System (VRS) payment provided by General Assembly action;
2. That the Schools need \$4.9 million less in FY 2011 than requested in the School Board approved budget and provided by the adopted budget due to the lower than budgeted VRS rate.
3. That these artificially low rates of payment being required in FY 2010 and FY 2011 will lead to large future cost increases for the Schools as the VRS rates increase to make up for years of underfunding;
4. That the Schools Staff and School Board are to be commended for considering a responsible way to use these funds to minimize future increases in the Schools budget for the cost of VRS benefits;
5. That it is Council's intent in including \$4.9 million in the operating transfer to the Schools, that those funds are for purposes of minimizing increases in the Schools' budget for the future cost of VRS benefits;
6. That it is the understanding of City Council that the School Board will include in its motion adopting a FY 2011 operating budget language setting aside \$4.9 million in funds for future VRS payments in accord with the April 12<sup>th</sup> and April 28<sup>th</sup> memoranda from Schools Staff suggesting this course of action.
7. That the Schools will face costs in implementing a Federally required transformation plan to address the designation of T.C. Williams as an persistently lowest-achieving school;
8. That the Schools Staff believes that \$2.0 million in the Schools' fund balance available from the FY 2010 VRS 4<sup>th</sup> quarter payment waiver may need to be used in funding the costs of a transformation plan for secondary schools in a plan addressing the designation of T.C. Williams as a persistently lowest-achieving (PLA) school;
9. That to the extent this \$2.0 million is not needed for this transformation plan for secondary schools, such funds shall also be set-aside for future VRS rate increases; and
10. That nothing in this addendum shall be construed as imposing a legal obligation on the Schools to spend these funds in any particular manner.

**Motion to Increase the Sanitary Sewer Fee from \$1.00 to \$1.25**

I move that City Council authorize the increase of the Sanitary Sewer Fee from \$1.00 to \$1.25 as proposed in the City Manager’s Operating and Capital Improvement Program Budgets. The revenues generated from the Sanitary Sewer Fee are segregated in a Special Revenue Fund and are used to support both operating and capital expenses related to the Sanitary Sewer system. *This change will be reflected in a subsequent ordinance to be introduced in May.*

**Motion to Appropriate General Fund Balance to support the operations of the City government in FY 2011**

I move that City Council authorize the appropriation from General Fund Balance of \$5,499,291. This reflects an increase of \$755,000 compared to the City Manager’s Proposed budget. The source of this increase will be from cancelled Contingent Reserves projects currently budgeted in FY 2010.

**Motion to Adopt the Revised the Capital Improvement Program**

Mr. Mayor, I move the adoption of the proposed FY 2011 to FY 2020 Capital Improvement Program of \$707.1 million in total and \$691.8 million in local funding, with \$106.1 million in total and \$100.7 million in local funding in FY 2011; \$65.1 million in total and \$60.9 million in local funding in FY 2012; \$72.0 million in total and \$71.6 million in local funding in FY 2013; \$59.3 million in total and \$59.2 million in local funding in FY 2014; \$62.3 million in total and \$62.2 million in local funding in FY 2015; \$73.0 million in total and \$72.0 million in local funding in FY 2016; \$68.4 million in total and \$67.4 million in local funding in FY 2017; \$66.9 million in total and \$65.9 million in local funding in FY 2018; \$66.7 million in total and \$65.7 million in local funding in FY 2019; and \$67.2 million in total and \$66.2 million in local funding in FY 2020. The specific dollar amounts for each year of the Capital Improvement Program will be equal to the amounts provided to Council members as part of this motion and will be reflected in the action docket for this meeting.

[Note to reader: the total amounts budgeted for the CIP are as follows. These will be included in the action docket.]

Fiscal Year	Local Funds	All Funds
2011	\$100,676,926	\$106,126,923
2012	\$60,948,447	\$65,103,447
2013	\$71,639,776	\$72,044,776
2014	\$59,186,616	\$59,341,616
2015	\$62,191,026	\$62,346,026
2016	\$72,002,706	\$73,002,706
2017	\$67,408,843	\$68,408,843
2018	\$65,876,697	\$66,876,697
2019	\$65,666,406	\$66,666,406
2020	\$66,215,607	\$67,215,607
Total	\$691,813,050	\$707,133,050

**Docket Item #3**  
**Motion to Establish the Real Estate and**  
**Personal Property Tax Rates for Calendar Year 2010**

Mr. Mayor, I move final passage of an ordinance to set the City's 2010 blended real property tax rate at \$0.978 (ninety-seven point eight cents) on each \$100 of assessed value, an increase of \$0.075 (seven and a half cents) from the 2009 rate. \$0.973 (ninety-seven point three cents) will provide general fund revenues in support of City government operations. The sum of \$0.006 (six tenths of one cent) on each \$100 of assessed value of the \$0.973 (ninety-seven point three cents) real property tax rate will be dedicated for affordable housing purposes to continue to pay budgeted debt service on affordable housing bonds, beginning July 1, 2010. *This change will be reflected in a subsequent ordinance amending City Code Section 3-1-5, to be introduced in May.* In addition, the sum of 0.3% (three tenths of a percent) of real property tax revenue will continue to be dedicated to the Open Space Trust Fund to continue to pay budgeted debt services on borrowing for open space purposes. **The sum of \$0.005 (five tenths of one cent) on each \$100 of assessed value of real property tax will be collected for stormwater management and established as a separate special revenue fund to address operating and capital needs related to stormwater management. This change will be reflected in a subsequent ordinance to be introduced in May. The total blended real property tax rate for the City in 2010 will be \$0.978.** Personal property tax rates remain unchanged from 2009.

**Docket Item #4**  
**Motion to Increase the Annual Fee for the City's Collection and Disposal of Solid Waste, Yard**  
**Debris and Recyclable Materials**

Mr. Mayor, I move that we adopt this resolution to increase the residential refuse fee from \$331 per household to \$336. This increase enables the City to continue the City's policy of 100 percent cost recovery of the full cost of residential refuse collection and disposal and provides \$9 to fund the use of larger recycling bins to increase recycling rates and improve convenience and service to users.

**Docket Item #5**  
**Motion to Adopt Code Administration Fee Increases and to Establish a Special Revenue Fund for**  
**New Construction Activities**

Mr. Mayor, I move that we adopt this resolution to increase Code Administration Fees by the amounts described in Docket Item #5 and that we establish a Special Revenue Fund for New Construction-related activities that is fully funded by permit and inspection fees.