

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 17, 2001
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: PHILIP SUNDERLAND, CITY MANAGER ps
SUBJECT: BUDGET MEMO #13: PROPOSED ADD/DELETE LIST PROCESS FOR THE FY 2002 BUDGET DELIBERATIONS

ISSUE: Proposed Add/Delete List Process for the FY 2002 Budget Deliberations.

RECOMMENDATION: That City Council review this report and inform staff of any requested revisions in due dates or the suggested process at the April 19, 2001, budget work session.

BACKGROUND: Two years ago, more specific written guidelines for the budget add/delete process were delineated, including (1) a timeline with specific due dates for budget memos, the preliminary add/delete list and the final add/delete list; (2) an established format for the submission of add/delete items; and (3) a statement of the specific criteria for the inclusion of add/delete list items on the preliminary and final lists. The table below provides the timeline recommended by staff for the remaining time in the FY 2002 budget process, based on the budget calendar adopted by City Council. This proposed timeline parallels the process and timeline used by the City Council for the last two years.

Table with 6 rows detailing budget process milestones: Saturday, April 21, 2001; Monday, April 23, 2001; Tuesday, April 24, 2001; Wednesday, April 25, 2001; Friday, May 4, 2001; Monday, May 7, 2001.

The deadlines and dates suggested in the timelines shown in the table are offered as a guideline and staff will make every effort to respond to Council questions and requests as quickly as possible.

1. Staff Responses to Council Requests

Staff receives requests from members of Council in writing, by e-mail, by telephone request and through requests at Council meetings or budget work sessions. Staff's practice is to respond to all of these Council requests, and I do not recommend any changes to this procedure.

2. Preparing Preliminary Add/Delete List

To ensure that there is not a misunderstanding regarding the development of the preliminary and final add/delete lists, Assistant City Manager, Mark Jinks will contact each member of Council by telephone to determine the items the member wishes to be included on the preliminary add/delete list. This will be done prior to the release of the budget memo that transmits this preliminary list. For each item that a Council member wishes to have included on the preliminary add/delete list, staff will reach an agreement with the member on the language that will be used in the list to describe the item. This will be done either orally over telephone or through an exchange of faxes or e-mails. No language describing an add/delete item will be placed in the preliminary list unless it has been agreed to by the "sponsoring" Council member. Once agreement has been reached with all members regarding the items they wish to have included in the preliminary add/delete list, staff will finalize and forward to Council the budget memo that contains this list. If different members have different approaches to the same item that they wish to be added to or deleted from the preliminary list, staff will reflect the different approaches on the list and will identify the member who supports each approach.

3. Criteria for Add/Delete List Items

As per the City Council's adopted Budget Resolution (Attachment I) any add/delete item that adds to expenditures or that decreases revenues must be accompanied by an offsetting decrease in expenditures or increase in revenue. If such an offsetting matter is not identified by a member, then staff will not add to the preliminary add/delete list the item which the member wishes to have placed on the list. Other than this, Council members may use their own criteria in determining the items they wish have added to the preliminary add/delete list.

In addition, monies included within the general contingent reserves account (which is part of the annual operating budget and is budgeted at \$750,000 in the FY 2002 Proposed Budget) cannot be expended without specific Council approval to transfer these monies to an operating agency account. As a result, if Council wishes to consider the transfer of monies from the general contingent reserves account to cover a specific operating expenditure, then this transfer of monies and the corresponding expenditure must also be included on the add/delete list. Recommendations from the City Manager for consideration of expenditure items that were unforeseen at the time the proposed budget was presented would also be handled in this manner.

4. Preparing Final Add/Delete List

This year's preliminary add/delete list will be considered at the April 25 work session. Any ambiguities in the items on the preliminary list can be resolved at that work session, through revisions to the language used to describe the items. Based on determinations made at this work session, staff will prepare a final add/delete list and will distribute it to Council on Friday, May 4. We do not anticipate the need to contact any Council members after the April 25 work session regarding the final add/delete list, since we expect Council will have reached agreement at that session on all revisions to the preliminary list, including language revisions. However, if, for some reason, this turns out not be the case, staff will review the final add/delete list with each Council member before distributing it on May 4.

**STAFF:**

Mark Jinks, Assistant City Manager for Fiscal and Financial Affairs

## RESOLUTION NO. 1998

**Budget Resolution Regarding the Treatment of  
Final Revenue Adjustments During the Budget Process**

**WHEREAS**, the City of Alexandria and the Greater Washington region face continued economic challenges; and

**WHEREAS**, the Alexandria City Council has previously exhibited restraint when considering its annual budget and financial policies; and

**WHEREAS**, the Alexandria City Council wishes to establish structure surrounding upcoming budget deliberations to ensure responsible actions with current economic resources;

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Alexandria, Virginia, that the Council shall, for the purposes of consideration of the Budget for the City of Alexandria, adhere to the following rules of procedure:

Section (a) Proposed Budget for the City of Alexandria -

(1) For purposes of this resolution, the budget baseline of revenue rates and expenditure levels for the fiscal year shall be that proposed by the Manager of the City of Alexandria.

(2) For purposes of this resolution, the Office of Management and Budget shall provide revenue and/or expenditure projections for any motion or amendment which could affect the proposed budget specified in paragraph (1).

Section (b) Maximum Expenditure Levels May Not Exceed Sum of Projected Revenue and Appropriation from Undesignated Fund Balance in Proposed Budget -

(1) It shall not be in order in the Alexandria City Council to consider any motion or amendment to the proposed budget of the City of Alexandria if such motion or amendment would have the effect of increasing any specific budget outlays above the level of such outlays contained in the proposed budget specified in section (a) of this resolution, or would have the effect of reducing any specific revenues below the level contained in the proposed budget specified in section (a) of this resolution, unless such motion or amendment makes at least an equivalent reduction in other specific budget outlays, identifies an equivalent increase in other specific revenues, or an equivalent combination thereof.

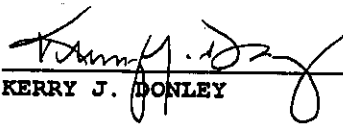
(2) In the Alexandria City Council, any appropriation from the Undesignated Fund Balance or any like account beyond that proposed in the Manager's proposed budget shall require an affirmative vote of five Council members.

(3) In the event that the City Manager recommends final revenue adjustments that result in a net increase or net decrease from the revenue estimates specified in section (a) of this resolution, the net change in the revenue estimate shall be reflected as a change in the proposed appropriation from the Undesignated Fund Balance. As


specified in Section (b)2, any appropriation from the Undesignated Fund Balance beyond that proposed in the Manager's proposed budget, including the net effect of final revenue adjustments, shall require an affirmative vote of five Council members.

Section (c) Expiration -- The provisions of this resolution shall expire on June 30, 2003.

ADOPTED: March 27, 2001

  
KERRY J. DONLEY MAYOR

ATTEST:

  
Beverly I. Jett, CMC City Clerk