

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 15, 2022

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER

FROM: MORGAN ROUTH, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

SUBJECT: SUMMARY OF FY 2023 BUDGET ADD/DELETE PROPOSALS

This memorandum summarizes the FY 2023 budget add/delete items eligible for consideration at the Preliminary Add/Delete work session on Tuesday, April 26, 2022 at 6:00 p.m. in City Council Chambers and online. On Saturday, April 23, beginning at 9:30 a.m., City Council will hold a public hearing in City Council Chambers and virtually on the add/delete proposals summarized in this memorandum. If any member of the public is unable to attend the public hearing, the meeting will be broadcast on cable channel 70 and on the internet, and a video will be posted online. Comments may be submitted at alexandriava.gov/Budget through May 1, 2022. City Council members' eligible add/delete proposals are provided as Attachment 1.

In accordance with Resolution 3406 adopted January 11, 2022 establishing the process to be used for FY 2023 budget adoption, a combined list of all City Council budget proposals, technical adjustments from OMB, and City Manager recommended changes is to be provided and discussed at the preliminary add/delete work session. To be eligible for consideration, a proposal must:

1. Contain information related to how the change advances the Council's goals/priorities;
2. Contain information related to how the change impacts the performance of that program, service, or goal;
3. Have received the support of at least three of seven Council members (the original sponsor and two co-sponsors); and
4. Be accompanied by an add/delete spreadsheet prepared by the Council member or OMB in which the sum of the individual Council members' adds and deletes, including the items originally sponsored by that member and those co-sponsored by that member, are in balance or produce a revenue surplus.

The following pages provide a summary of the items eligible for consideration at the preliminary add/delete work session. The language descriptions generally reflect City Council member language.

GENERAL FUND

The following items are proposed to amend the City Manager's proposed FY 2023 General Fund operating budget.

Police Patrol Staffing +\$0, 6.0 FTEs (Budget Question 30)

This proposed budget addition of \$800,000 would add 6.0 FTE to the Field Operations Bureau of the Police Department to help alleviate the gap between authorized and current staffing.

Assignment of the personnel filling this additional headcount will remain the purview of the Police Chief, subject to policy direction by the City Manager and City Council. Funding is to come from the deletion of the \$800,000 School Resource Officer alternative contingency.

Speed Cameras +\$490,000 (Budget Question 15)

This proposed budget addition would add 5 photo speed monitoring devices to school crossing zones prioritized by Transportation & Environmental Services. It would be funded by \$500,000 in revenue from the implementation of the enforcement program.

0.5% City-Wide Pay Scale Adjustment +\$1,273,710 (Budget Question 106)

This proposed budget addition of \$1,273,710 would add an additional 0.5% pay scale adjustment for all employee compensation groups (Fire, Police, Sheriff, and General Schedule). It would be funded through a portion of \$7,106,360 identified in the revenue re-estimate budget memo.

Body Worn Camera Program +\$600,000 (Budget Question 106)

This proposed addition would increase body worn camera program funding by \$1.4 million in addition to the \$200,000 included in the City Manager's proposed budget and a \$600,000 Congressional earmark for a total program budget of \$2.2 million. The proposed \$1.4 million budget addition would be funded with \$600,000 in general fund revenue identified in the revenue re-estimate budget memo and the remaining \$800,000 would be funded with unallocated ARPA funds.

Dedicated Affordable Housing +\$1,848,166 (Budget Question 50)

This proposed addition increases the dedicated revenue for affordable housing to a full penny. It would bring the total dedicate affordable housing total for FY 2023 to a total of \$4,620,416. This proposed addition would be funded by three sources (1) \$1,000,000 from an increase in the fair market personal property tax assessment ratio from 77% to 78%, (2) \$500,000 from the undesignated City Council contingency funds, and (3) from \$348,166 identified in the revenue re-estimates budget memo.

Additional ACORP Team +\$277,000 (Budget Question 106)

This proposed addition would add an additional ACORP team (1.0 Police Officer and 1.0 DCHS Therapist) at a general fund cost of \$277,000. This proposed addition would be funded through a portion of \$7,106,360 identified in the revenue re-estimate budget memo.

Complete Streets - Vision Zero Projects +\$150,000, 1.0 FTE (Budget Questions 08, 15, 55)

This proposal would add 1.0 Civil Engineer III FTE to support the CIP's Complete Streets Vision Zero projects. This proposal would add a position to improve capital delivery by focusing on the 11 dedicated non-motorized projects in the CIP and accelerating implementation of the Vision Zero work plan. This proposed addition would be funded through a portion of \$7,106,360 identified in the revenue re-estimate budget memo.

Climate Change Initiatives +\$2,000,000 (Budget Question 106)

This proposal would increase the General Fund Reserve by \$2.0M for climate change initiatives. The proposal states that City staff will develop a plan for the funding that prioritizes sustainability solutions in the Environmental Action Plan (EAP). This proposed addition would be funded through a portion of \$7,106,360 identified in the revenue re-estimate budget memo.

Early Childhood Contingency +\$500,000 (Budget Question 36)

This proposal would add \$500,000 in contingency to improve the quality and availability of early childhood services. The proposal states that the City Manager shall return to Council with a recommendation to assign these funds to existing early childhood programs. This proposed addition would be funded by the \$500,000 in undesignated City Council contingency funds allocated in the FY 2023 proposed budget.

DASH Line 32 Service Expansion +\$440,000 (Budget Question 96)

This proposed addition would increase the DASH budget by \$440,000 to fund enhancements to Line 32 to improve midday, evening, and weekend services to run every 30 minutes instead of every 60 minutes. This proposed addition would be funded by sourcing \$440,000 of the general fund revenue identified in the revenue re-estimate budget memo.

Out of School Time Contingency +\$0 (Budget Question 38)

This proposed budget modification moves the existing \$200,000 proposed in RPCA departmental contingency to non-departmental contingent reserves and allocates an additional \$400,000 in ARPA funds for a total out of school time contingency of \$600,000. The movement of \$200,000 from departmental to non-department contingency will have a neutral general fund impact. The addition of \$400,000 in ARPA funding will be sourced from unallocated ARPA funds.

Fire Department Advance Life Support (ALS) Incentive +\$358,000 (Budget Question 106)

This proposed addition would increase the Alexandria Fire Department's ALS incentive to \$10,000 for all ALS providers. This proposed addition would be funded by sourcing \$358,000 of the general fund revenue identified in the revenue re-estimate budget memo.

City Clerk's Office Supplies and Professional Development +\$18,000 (Budget Question 109)

This proposed addition would provide the City Clerk's Office with funding to participate in professional development and licensure programs and additional flexibility for office supply usage. This proposed addition would be funded by sourcing \$18,000 of the general fund revenue identified in the revenue re-estimate budget memo.

Expanded Language Stipend +\$250,000 (Budget Question 88)

This proposed addition would consider staff that pass a language assessment for additional pay (stipend or bonus) if their language skills are utilized on a regular basis during the course of their

regular workday, week, or if they enlist to be on call for a bonus. The proposed addition for the language stipend program totals \$500,000. Of this amount, \$250,000 would be funded by sourcing the general fund revenue identified in the revenue re-estimate budget memo and the other \$250,000 from a portion of the \$500,000 in undesignated City Council contingency funds allocated in the FY 2023 proposed budget.

Race and Social Equity (RASE) Position +\$95,000, 1.0 FTE (Budget Question 110)

This proposed addition would add one FTE in the RASE Office to provide additional support to the RASE Officer to conduct further internal work and begin on external proposals. This proposed addition would be funded from a portion of the \$500,000 in undesignated City Council contingency funds allocated in the FY 2023 proposed budget.

DASH Line 30 Service Expansion +\$1,140,000 (Budget Question 96)

This proposed addition would fund expanded service on DASH Line 30 for \$1,140,000. This proposed addition would be funded by an increase in the fair market property tax assessment value from 77% to 80%.

DASH Line 31 Service Expansion +\$790,000 (Budget Question 96)

This proposed addition would fund expanded service for Line 31 to extend all off-peak and weekend trips from King Street Metro to Braddock Road Metro to provide 15-minute off-peak headways in Old Town. This proposed addition would be funded by an increase in the fair market value of vehicles under the personal property tax by 0.8%

RESIDENTIAL REFUSE COLLECTION FUND

The following item is proposed to amend the City Manager’s proposed FY 2023 Residential Refuse Collection Fund operating budget.

Food Waste Collection +\$315,016 (Budget Questions 26, 29, and 67)

This proposed budget addition would advance two initiatives designed to increase food waste collection and diversion as proposed in the WasteSmart Strategic Plan:

- 1) Expansion of an existing food waste drop-off composting program at additional sites to be proposed by the City Manager (\$60,315)
- 2) Expand a proposed curbside food waste collection pilot to 2,500 households for 12 months (currently proposed for 600 households for 6 months) (\$255,701)

It would be funded by increasing the Residential Refuse Fee to \$500 (\$296,216) and the commercial refuse collection fee to \$500 (\$17,800).

CAPITAL IMPROVEMENT PROGRAM (CIP)

The following item is proposed to amend FY 2024 of the City Manager’s proposed FY 2023-FY 2032 CIP.

ACPS CIP Borrowing Reduction +\$0 (Budget Question 3)

This proposal would reduce the planned borrowing in support of the FY 2024 ACPS Capital Improvement Program by \$3,774,123 by appropriating the same amount of ACPS unrestricted operating fund balance in excess of the 5% maximum specified in the ACPS fund balance policy.

Cash Capital Increase & Debt Reduction +\$897,650 (Budget Question 106)

This proposed budget addition would increase the cash capital funding for the adopted Capital Improvement Program by \$897,650 to reduce required borrowing and associated debt service. This proposal would reduce planned borrowing by \$9 million and mitigate \$3.7 million in debt service payments. This proposed addition would be funded through a portion of \$7,106,360 identified in the revenue re-estimate budget memo.

AMERICAN RESCUE PLAN ACT (ARPA) TRANCHE #2

The following items are proposed amendments to the City Manager’s recommended use of ARPA Tranche #2 funding to be received in June 2022.

Minority Business Incubation +\$500,000 (Livable, Green, and Prospering Work Session)

This proposal would place funds in contingency to retain existing African American and minority owned businesses, recruit new businesses, and/or assist with start-up activities. This effort would be housed in the CMO and co-designed by the City's Chief Race and Social Equity Officer, AEDP, and community groups such as the Social Responsibility Group. The funding source for this item is unallocated ARPA funds.

Body Worn Camera Program +\$800,000 (Budget Question 106)

This proposed addition would increase body worn camera program funding by \$1.4 million in addition to the \$200,000 included in the City Manager’s proposed budget and a \$600,000 Congressional earmark for a total program budget of \$2.2 million. The proposed \$1.4 million budget addition would be funded with \$600,000 in general fund revenue identified in the revenue re-estimate budget memo and the remaining \$800,000 would be funded with unallocated ARPA funds.

Affordable Housing Units at 40% AMI +\$1,500,000 (Budget Question 45)

The proposed budget addition would increase affordable housing funding by \$1.5 million. This proposed budget addition places funds in a contingency to secure more housing affordable to those with incomes of less than 40% AMI. The funding source for this item is unallocated ARPA funds.

Out of School Time Contingency +\$400,000 (Budget Question 38)

This proposed budget modification moves the existing \$200,000 proposed in RPCA departmental contingency to non-departmental contingent reserves and allocates an additional \$400,000 in ARPA funds for a total out of school time contingency of \$600,000. The movement of \$200,000 from departmental to non-department contingency will have a neutral general fund impact. The addition of \$400,000 in ARPA funding will be sourced from unallocated ARPA funds.

Continuing Remote Work Capabilities +\$150,000 (Budget Question 106)

This proposed addition would add \$150,000 for software licenses to maintain remote work capabilities that were enhanced during the pandemic. The funding source for this item is unallocated ARPA funds.

Metro Stage Contingency +\$0 (Budget Question 77)

This proposed addition would provide \$200,000 in contingency funding for a potential donation to support Metro Stage construction. This proposed addition could be used to encourage additional private fundraising. This item would be funded by deleting the \$200,000 Arts Study ARPA allocation recommended in the City Manager's FY 2023 proposed budget.

ATTACHMENTS:

Attachment 1 – City Council Add/Delete Proposals