

Jackie Henderson

From: Kendel Taylor
Sent: Friday, May 10, 2013 9:57 AM
To: City Council; City Council Aides; Nancy Coats; OMB Staff; Bryan Page; Department Heads - Elected and Appointed Officials
Cc: Alex Braden; Alfred Coleman; Angela Turner; Anna Leider; Antonio Baxter; Benjamin Aiken; Berenice Harris; Brenda D'Sylva; Carmen Fraser; Cassandria Menefee; Christine Hall; Christopher Bever; Cicely Woodrow; Cindy Catlett; Debbie Kidd; Deborah Welch; Diane Best; Diane Fiske; Donald Harrison-Wright; Eileen Oviatt; Elaine Scott; Eleanor King; Elisabeth Weaver; Elizabeth Davies; Eric Keeler; Eric Spicer; Faye Maslaki; Gianina Harris; Gina Kincaid; Gloria Bannister; Gloria Sitton; Greg Useem; Hue Rim; Jackie Arbour; James Lynch; Jane Hassell; Jean Gregorio; Jean Niebauer; Jeffrey Levine; Jim Fleming; John Knippenberg; Joseph Bui; Juan Martinez; Karen Landon; La'Keisha Flores; Lance Mallamo; Laura Morrison; Laura Triggs; Linda Wesson; Lori Knoernschild; Lucy Scalsky; Malik Williams; Matthew Behrens; Matthew Bosse; Mayuri Middough; Michael Hauer; Michael Stewart; Morgan Routt; Nathan Carrick; Nelsie Smith; Patrick Pendleton; Paul Doku; Ray Welch; Robert Snyder; Robin Wilson; Rose Dawson; Sean Christensen; Sheila Miller; Stephen Taylor; Suellen Savukas; Sunila Dilawari; Tammie Wilson; Tony Castrilli; Tony Williams; Vicki Mellott; Vyvyonne Dilbert; Wendy Webb; Yvette Gayles
Subject: Final Budget Memo
Attachments: BM38 FY2014 Budget Adoption - Actions Taken.pdf


This budget memo reflects the final add delete items and all the adjustments made for the FY 2014 Approved Operating Budget. The final FY 2014 Approved All Funds Budget by Fund and by Department will come to Council in the form of an Ordinance (the FY 2014 Appropriation Ordinance), scheduled for June 11th with the Public Hearing on Saturday, June 15th.


City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 8, 2013

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: RASHAD M. YOUNG, CITY MANAGER 

FROM: NELSI E. L. SMITH, DIRECTOR, MANAGEMENT AND BUDGET 

SUBJECT: BUDGET MEMO #38: FY 2014 BUDGET ADOPTION - ACTIONS TAKEN
MONDAY, MAY 6, 2013

The following represents the budget actions taken during budget adoption on Monday, May 6, 2013. City Council adopted the FY 2014 General Fund Revenue and Expenditure Operating Budget in the amount of \$624,848,747, including the FY 2014 cash capital share of the Capital Improvement Program of \$6,750,613. This budget is based on the City Manager's FY 2014 Proposed Budget in the amount of \$626,629,791 with the following amendments derived from the FY 2014 General Fund Operating Budget Final Add/Delete (Attachment 1) and Capital Improvement Program Final Add/Delete (Attachment 2) spreadsheets, which are attached.

Note: The actions taken by City Council and the impacts on Departmental budgets will be presented in detail in the FY 2014 Approved Operating Budget and FY 2014 to FY 2023 Capital Improvement Program documents which will be published by 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 Commitments
- IV. Contingent Reserves
- V. Capital Improvement Program (CIP)
 - a. Changes in funding levels for the FY 2014 Capital Budget
 - b. Changes in borrowing for the FY 2014 Capital Budget
- VI. Comparisons to FY 2013 Approved and FY 2014 Proposed Budgets

I. **Expenditure Budget Changes:**

a. **Technical Expenditure Adjustments to Proposed Budget (Budget Memo #25)**

\$	35,000	Northern Virginia Regional Commission Energy Strategy Contribution - Non-Departmental
\$	(32,000)	Reduction of one-time funds allocated for Northern Virginia Family Services in FY 2013 - Community and Human Services
\$	(85,000)	City Supplement decrease for State employees in the Court Service Unit - Court Service Unit
\$	(35,000)	City Supplement decrease for State employees in the Adult Probation and Parole and the Public Defender's Office - Other Public Safety
\$	125,067	Increase in the City Appropriation to the Alexandria City Public Schools to transfer pre-school classroom money appropriated in FY 2013
\$	(125,067)	Decrease in the appropriation to the Department of Community and Human Services to transfer pre-school classroom money appropriated in FY 2013
\$	180,000	Establish budget authority in the Alexandria Police Department for operating expenses associated with the Red Light Camera Traffic Enforcement Program
\$	22,999	Increase in costs for Community Services Act cases - DCHS
\$	85,999	Total Technical Expenditure Adjustments

b. **City Council Changes to Proposed City General Fund Operating Budget Expenditures**

\$	85,000	Gang IPE Position
\$	92,000	Reopen Warwick pool for one year - Recreation, Parks and Cultural Activities
\$	140,000	Retain King Street Trolley at Current Headways - Transit Subsidies
\$	121,995	Restore funding for Alexandria Fund for Human Services
\$	56,000	Restore Library materials funding
\$	160,000	Expand parking meters in Old Town (cash capital transfer to CIP)
\$	99,680	Restore domestic violence social worker in Police
\$	(250,000)	Eliminate Council Contingent Reserve
\$	174,235	Contingent Reserves - Affordable Housing Initiatives
\$	210,000	Contingent Reserves - Recycling Initiatives
\$	10,000	Contingent Reserves - Car Seat Installation - Sheriff
\$	35,000	Contingent Reserves - Smoking Cessation Programs
\$	950,000	Contingent Reserves - Childcare Fee Subsidy Waiting List
\$	6,750	Contingent Reserves - King Street Lights
\$	42,900	Contingent Reserves - Senior Mental Health Therapist
\$	(10,551,216)	Reduction of 3-cents for capital option included in the Proposed Budget
\$	6,750,613	Increase in Cash Capital Contribution for Capital Budget
\$	(1,867,043)	Net City Expenditure Increases and Reductions (Total)

\$ (1,781,044) **Total Expenditure Budget Adjustments (a +b)**

II. Revenue Budget Changes:

a. **Technical Revenue Re-estimates to Proposed Budget (Budget Memo #25)**

\$ 1,099,999	Increase in Real Property Tax revenue
\$ (200,000)	Decrease in Personal Property Tax revenue
\$ 29,725	Increase in Bank Franchise Tax revenue
\$ 200,000	Increase in Recordation Tax revenue
\$ 50,000	Increase in Fines and Forfeiture revenue
\$ 839,628	Increase in Intergovernmental revenue
\$ (101,977)	Decrease for commitment to Financial Policies
\$ 20,194	Increase in Use of Fund Balance based on revenue re-estimates
\$ 1,937,569	Total FY 2014 Technical Revenue Re-estimates

b. **City Council Changes in Proposed Tax and Fee Rates and New Revenues**

\$ (10,551,216)	Reduction of 3-cents for capital option included in the Proposed Budget
\$ 5,227,053	Increase in Real Estate tax rate of 1.5 cents
\$ 300,000	Tobacco Tax Increase of 10 cents
\$ 210,000	Residential Refuse Fee increased to \$328
\$ 1,100,000	Raise Residential Utility Cap and Increase Commercial Utility to 10%
\$ 160,000	Parking meter expansion in Old Town
\$ (320,000)	End parking meter hours at 7 pm
\$ 45,000	Increase Outdoor Pool Fees
\$ 67,650	Increase Use of Fund Balance
\$ 42,900	Federal Prisoner Per Diem
\$ (3,718,613)	Total Increase in Tax and Fee Rates and New Revenues
<u>\$ (1,781,044)</u>	Total Revenue Increases (a+b)

III. Fund Balance Commitments

City Council Fund Balance Commitments (requires Super majority)

Commitments	
\$ 1,700,000	Existing Encumbrances
\$ 6,187,633	Fund Balance to support the FY 2014 Operating Budget
\$ 3,484,702	Fund Balance to support the CIP (additional revenue in June 2013 from tax rate increase)
\$ 242,000	Indirect costs of the Transportation Improvement Program

IV. *Contingent Reserves*

City Council Changes and Reservations of City Council Contingent Reserves	
\$ (250,000)	Elimination of City Council undesignated Contingency
\$ 950,000	Childcare Fee Subsidy Waiting List
\$ 174,235	Affordable Housing Initiatives
\$ 42,900	Senior Mental Health Therapist at the Jail
\$ 210,000	Recycling Initiatives
\$ 6,750	King Street Lights
\$ 10,000	Car Seat Installation
\$ 35,000	Smoking Cessation Program
\$ 1,178,885	Increase in Contingent Reserves

V. *Capital Improvement Program Budget Changes*

a.

City Council Changes in the FY 2014 Proposed CIP	
\$ 48,900	E. Del Ray Avenue Pocket Park (includes \$21,500 in private contribution)
\$ 4,114,302	Alexandria City Public Schools
\$ 639,469	Sidewalk/Shared Use Paths Maintenance
\$ 920,679	Additional Street Resurfacing
\$ 500,000	Complete Streets
\$ 160,000	One-time Cash Capital adjustment for expanded parking meters
\$ 35,000	Route 1 at E. Reed Intersection Improvement
\$ 1,000,000	Prior Year Debt Service Pay Down
\$ 1,414,570	Self-Contained Breathing Apparatus (SCBA) Replacement
\$ 1,083,895	Additional Cash Capital for Planned/Existing Projects
\$ 500,000	Chinquapin Aquatics Center w/50 Meter Pool
\$ 10,416,815	Total FY 2014 Increases to the CIP

b.

City Council Changes in Borrowing for the CIP	
\$ (1,083,895)	General Obligation (G.O.) Bond Adjustment based on Approved CIP
\$ (1,083,895)	Total FY 2013 Borrowing Increase to the CIP

VI. *Comparisons to FY 2014 Proposed and FY 2013 Approved*

Summary of Growth in FY 2014 Budget	
\$ 626,629,791	FY 2014 Proposed General Fund Operating Revenues and Expenditures
\$ 624,848,747	FY 2014 Approved General Fund Operating Revenues and Expenditures
\$ (1,781,044)	Total Change in City General Fund Operating Budget Expenditures over Proposed
-0.3%	Percent change compared to Proposed Budget

Summary of Growth in FY 2014 Budget	
\$587,861,196	FY 2013 Approved General Fund Operating Budget
\$624,848,747	FY 2014 Approved General Fund Operating Budget
\$36,987,551	Total Change in City General Fund Operating Budget Expenditures over FY 2013
6.3%	Percent change compared to FY 2013 Approved Budget

1 **FY 2014 General Fund Operating Budget Final Add/Delete**
2

	Budget Memo #	Approved Budget
3 FY 2014 Add/Delete		
4 Real Estate Tax Rate Increase (in Cents)(Max is 4.0 cents)		4.0
5 Real Estate Tax Rate (per \$100 of assessed value)		1.038
6 Operating Surplus/(Shortfall)		(0)
7 Revenues		
8 April Revenue Re-estimate	25	1,937,569
9		
10 Real estate tax rate: value of one cent		3,484,702
13 Rate increase for additional CIP cash capital		2.00
14		
15 Other Revenue Adjustments		
16 Elimination of Highest Income Level for Elderly Real Estate Tax Relief	24	0
17 Tobacco Tax Increase (\$.90 cents in the Proposed Budget)	10	300,000
18 Business Licenses for 2-4 Rental Dwellings (BPOL) Net	24	0
19 Reduction/Elimination of Field Use Fees for Qualifying Scholarship Youth	12	0
20 Residential Refuse Fee at \$328	4 & 10	210,000
21 Increase Outdoor Pool Fees	24	45,000
22 Raise Residential Utility Cap & Increase Commercial Utility 10%	8	1,100,000
23 Parking meter expansion in Old Town	20	160,000
24 End parking meter hours at 7:00 pm	Budget	(320,000)
25 Increase Federal Prisoner Per Diem for Senior Mental Health Therapist	3	42,900
36 Net Revenue Increase/(Decrease)		8,702,522
37 Use of Fund Balance (1% of Revenues)		67,650
38 Total Sources		8,770,172
39 Expenditures		
40 Technical Expenditure Adjustments Net Increase	25	85,999
41		
42 Expenditure Adds:		
43 Additional Cash Capital for CIP (2.0 cents from Line 13 less \$218,791)	2	6,750,613
44 Additional affordable housing - Contingent Reserves	10 & 12	174,235
45 Restore Gang IPE (Intervention, Prevention, Education) Program (replace a portion of grant money that ended) in the Court Service Unit		85,000
46 Reopen Warwick Pool for one year only	5 & 6	92,000
47 SBDC New Business Mailing	5	0
48 Clear Childcare Fee Subsidy Waiting List - Contingent Reserves	9	950,000
49 Retain King Street Trolley at Current Headways	3	140,000
50 Sheriff Funds for Car Seat Installation - Contingent Reserves	4	10,000
51 Recycling Initiatives (funded by Residential Refuse Fee) - Contingent Reserves	4 & 10	210,000
52 Additional Smoking Cessation (Contingent Reserves--to be identified by Public Health Committee)	12	35,000
53 Restore Funding for Human Services Fund	20	121,995
54 Restart Titans lounge (after school program)	10	0

1 **FY 2014 General Fund Operating Budget Final Add/Delete**
 2

	Budget Memo #	Approved Budget
3 FY 2014 Add/Delete		
4 Real Estate Tax Rate Increase (in Cents)(Max is 4.0 cents)		4.0
5 Real Estate Tax Rate (per \$100 of assessed value)		1.038
6 Operating Surplus/(Shortfall)		(0)
55 Restore DASH bus fare to \$1.50 from \$1.60 proposed by DASH		0
56 Alexandria Symphony Orchestra for City Birthday Celebration	3	0
Senior Mental Health Therapist - Sheriff (funded by fed per diem) - Contingent Reserve	3	42,900
58 Restore Library materials funding	5	56,000
59 Provide funding for Employee compensation	26	0
60 Expand parking meters in Old Town	20	160,000
61 Restore domestic violence social worker in Police	14	99,680
62 Retain Existing 80/20 Healthcare Split	26	Yes
63 Burial grounds Fort Ward	24	0
64 Road paving (potholes) in Old Town		0
65 King Street white lights (keep lights on April - June) - Contingent Reserves		6,750
66 Brick sidewalk repair in Old Town		0
67 Contingent Reserves for Capital Projects		0
72 Total Expenditure Increases		9,020,172
73		
74 Expenditure Deletes:		
75 Council Contingency	3	(250,000)
76 Reduce Contribution to Inova Alexandria Hospital for Indigent Transfers	Budget	0
77 Delay hiring of proposed Urban Planner III	30	0
78 Eliminate Old Town Transit Store	27	0
79 Reduce/Eliminate City-owned vehicle use	27	0
80 Eliminate inmate work detail program	Budget	0
81 Slow BikeShare implementation	5 & 20	0
82 Eliminate Burke Library contract security	Budget	0
83 Reduce Caseload at Job Link	23	0
84 Hold Vacant 2 Future APD Patrol Positions	24	0
94 Total Expenditure Decreases		(250,000)
95		
96 Net Expenditure Adjustments		8,770,172
97		
98 Revenue & Expenditure Surplus/(Shortfall)		(0)

Capital Improvement Program (CIP) Final Add/Delete

Staff recommends additional funding for FY 2019 - 2023 be added to a "Projects to be Determined" category to be prioritized and presented to City Council for consideration as part of the FY 2015 - 2024 Capital Improvement Program development process. Funding for those years is

			FINAL BUDGET
Revenue Category			FY 2014 - 2018
Additional Tax Rate for Capital Projects			2.00
Total Revenues Available (2 cents from above less \$218,791 in FY 2014)			\$40,213,523
Surplus/Deficit (May be off by one dollar)			\$0
*If no cost listed, project is scalable; any additional funding can be utilized.			
Item	CIP Category/Project	*EST. COST	FY 2014 - 2018
Alexandria City Public Schools			
1	ACPS - FY 2014 ONLY	\$4,114,302	\$4,114,302
2	ACPS - FY 2015 - 2018	\$50,059,388	\$5,547,533
Community Development			
3	Waterfront Plan - Design & Engineering Only	\$1,500,000	
Recreation & Parks			
4	Open Space Acquisition	\$0	
5	Four Mile Run Park Expansion & Duron Building	\$300,000	
6	Chinquapin Aquatics Center - w/50 Meter Pool	\$20,000,000	\$17,500,000
7	Chinquapin Aquatics Center - w/25 Meter Pool	\$10,700,000	
8	Aquatics Facilities - TBD		\$5,000,000
9	Ewald Sprayground/Park Re-Design	\$2,100,000	
10	Old Town Pool (Phase I) - New Recreation Pool	\$2,500,000	
11	Warwick Sprayground/Community Building	\$2,500,000	
12	Warwick Pool/Community Building	\$3,500,000	
13	Colasanto Sprayground/Splash Pad	\$800,000	
14	Lee Center - Therapeutic Facilities	\$3,500,000	
15	E. Del Ray Avenue Pocket Park	\$27,400	\$27,400
Transportation Infrastructure			
16	Additional Street Resurfacing	\$0	\$920,679
17	Additional Bridge Repairs	\$0	
18	Additional Street & Alley Reconstructions	\$0	
19	Sidewalk/Shared-Use Paths Maintenance	\$0	\$1,139,469
20	Bus Shelters and Benches	\$75,000	
21	Complete Streets	\$0	\$750,000
22	Route 1 at E Reed Intersection Imprv.	\$385,000	\$385,000
Debt Service			
23	Prior Year Debt Service Pay Down	\$0	\$1,000,000
Public Safety			
24	Self Contained Breathing Apparatus (SCBA) Replacement	\$2,829,140	\$2,829,140

Capital Improvement Program (CIP) Final Add/Delete

Staff recommends additional funding for FY 2019 - 2023 be added to a "Projects to be Determined" category to be prioritized and presented to City Council for consideration as part of the FY 2015 - 2024 Capital Improvement Program development process. Funding for those years is

			FINAL BUDGET
Revenue Category			FY 2014 - 2018
	Additional Tax Rate for Capital Projects		2.00
	Total Revenues Available (2 cents from above less \$218,791 in FY 2014)		\$40,213,523
	Surplus/Deficit (May be off by one dollar)		\$0
*If no cost listed, project is scalable; any additional funding can be utilized.			
Other City Council Projects			
25	Additional Funding to Contingent Reserves		
26	**Hensley Turf Conversion (Move to FY 2014)	\$1,800,000	
27	Aquatics Master Plan Planning/Implementation	\$0	
28	**4 Mile Run/Brookvalley Playgrounds	\$366,000	
Total Capital Projects		\$125,056,230	\$40,213,523

**Depending on the final tax rate for capital, this may be able to be accomplished without additional funding. Funding is already planned in the CIP.

however, it cannot be determined if this will work until the final tax rate for capital is set.