

Budget and Fiscal Affairs Advisory Committee (BFAAC) Minutes
City Hall, Conference Room #1102
October 18, 2016

Present: Dak Hardwick, Skip Maginniss, Margaret Gullen, David Baker, Patrice Linehan, Michael Wenk, Ben Klein, Laurie MacNamara, Robert Shea, Michael Carrasco, Len Rubenstein

Absent (excused): Clarence Tong

OMB staff members: Morgan Routt, Alex Braden, Whitney Harris

1. **Call to Order.** A quorum being present, the meeting was called to order at 7:02 pm by Chair Dak Hardwick.
2. **Minutes.** A motion to accept the minutes as submitted from September 21, 2016 was made. The motion was approved unanimously.
3. **City Manager's Report.** City Manager Mark Jinks provided an overview of key drivers impacting the FY 2018 budget. In discussing school capacity challenges, he noted the projected 2200 student increase in students attending ACPS over the next four years, indicating there will be major capital needs for secondary school enrollment increases and building/infrastructure improvements as well the need for innovative approaches to addressing elementary school capacity concerns. Mr. Jinks also discussed the likelihood that the City's \$6M payment to WMATA for Metro system operations/maintenance will likely increase by 10-15 percent with the upcoming release of the WMATA General Manager's budget. Recognizing that revenue increases are not expected to keep pace with operational costs in FY 2018, Mr. Jinks has directed City departments (not including Courts) to develop 90 percent budget scenarios to understand the impact of operating reductions on programs/services. He also discussed the efforts to explore alternative revenue sources, such as full cost recovery for specific programs/services. In response to Committee questions, Mr. Jinks indicated that, while the multi-year approach to the City's CIP would continue, the Operating budget would be better served by retaining an annual focus given the number of unknown obligations (e.g., Metro subsidy). He also noted a new economic sustainability workgroup will launch in January 2017 with work expected to include in June 2017; the workgroup has been chartered to focus on increasing revenue and enhancing economic development. Mr. Jinks concluded his remarks by introducing Kevin Greenleaf, in attendance at the meeting, as the City's new Assistant Director for Revenue.
4. **Election of Officer/Secretary.** Mr. Hardwick nominated Laurie MacNamara. The motion was seconded by Robert Shea. No other nominations were received. No committee members voted in opposition to Ms. MacNamara's nomination. Ms. MacNamara was approved as Secretary.
5. **OMB Report.**
 - a. **OMB Response to FY 2017 BFAAC Report.** Committee members praised Mr. Routt and the OMB team for the thoroughness and responsiveness of the OMB response. The Committee and Mr. Routt engaged in a discussion about the Committee's recommendation to develop a multi-year revenue master plan.

- b. **FY 2018 Budget Development Process.** Mr. Routt discussed the first public engagement meeting, held the week of October 10 and attended by approximately 20 people. He noted that the structure and the outcome of the meeting was similar to last year's public engagement sessions
- 6. **New Business.** Mr. Hardwick discussed upcoming BFAAC/Council engagement, including the Committee's presentation on its planned work schedule at the October 25 Council legislative meeting. Mr. Hardwick also led discussion of the draft budget guidance memo prepared by BFAAC, taking comments from Committee members on revised and/or additional language.
- 7. **Adjournment.** Having no further business, the meeting was adjourned at 9:00 pm.