

4. Innovation fund – Staff recommends setting aside funds in the amount of \$250,000 for entrepreneurial efforts that hold promise for improving the efficiency and effectiveness of public service delivery. It is expected that the work of the newly established Office of Performance and Accountability will, through management analysis and performance measurement, be a resource for identification of innovative practices. The fund would enable departments to submit proposals for one-time funding to assist with implementation of pilot initiatives that have a defined and described cost/benefit analysis and return-on-investment (ROI) statement;
5. Office of Performance and Accountability AlexStat space – Funding in the amount of \$50,000 is recommended to establish physical space to conduct AlexStat meetings, discussions concerning the operational performance of our public service delivery programs. These reviews will require meeting space that permits for senior management and staff discussions of program performance. The AlexStat room must be technologically enabled to clearly display information, be conducive to public viewing of the meeting, and structured in a fixed arrangement specifically for AlexStat reviews;
6. Alexandria Economic Development Partnership (AEDP) – Staff recommends designating \$75,000 in Contingent Reserves for AEDP, with the funds to be requested from Contingent Reserves by AEDP upon completion of their strategic plan, and that AEDP report back to Council on the use of the funds. This would allow the forthcoming AEDP strategic plan to help frame the priorities for the use of additional funding;
7. One-time add/delete items – The remaining \$497,142 we would recommend be returned to fund balance to further protect against future revenue shortfalls or could be available for FY 2013 add/delete items that represent one-time outlays, such as a studies or projects.

STAFF: Laura Triggs, Acting Chief Financial Officer
 Morgan Routt, Acting Budget Director
 Kendel Taylor, Assistant Budget Director