

City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 4, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER 

SUBJECT: BUDGET MEMO #66: FY 2013 FINAL ADD/DELETE LIST

The final add/delete budget work session is scheduled for Monday, May 7, 2012.

The attached final add/delete spreadsheet reflects the preferences stated by Council members at the Monday, April 30, 2012 preliminary add/delete work session and additional changes requested by Council members this week.

The final add/delete list includes two possible consensus options. Option A reflects no change to the real estate property tax rate. Option B includes a 0.2 cent increase in the real estate tax rate. Both options contain the same expenditure items based on the consensus of Council members. Both options would require the use of fund balance to support the budget if there are no changes to the expenditures, with Option B requiring less use of fund balance than Option A.

The final add/delete list also includes the following staff changes:

1. Technical expenditure adjustments have been reduced for a General Fund savings of \$246,707 due to a revision in the WMATA subsidy as a result of additional savings realized at WMATA and the use of the City's State aid and gas tax revenues at NVTC;
2. Revised cost estimates for Meals on Wheels (\$39,983) and King Street banners (\$31,200);
3. A technical correction to show the full cost of the Gang IPE position in FY 2013 (\$85,000) as an expenditure increase and the FY 2012 Contingent Reserve designation used to fund the position in FY 2013 (\$75,661) as a revenue from the use of fund balance. The net cost increase remains \$9,339 as included on the preliminary add/delete list.

A more detailed explanation of each change is provided as Attachment 2.

In the final add/delete work session, Council members will reach final agreement on adjustments to be included in the final approved budget. Following the work session, Council will hold a special legislative session to adopt the FY 2013 Operating Budget and Capital Improvement Program (CIP) and to set the real estate property tax rate in Council Chambers.

ATTACHMENTS: 1. Final Add/Delete Spreadsheet
2. Staff Changes from the Preliminary Add/Delete Spreadsheet

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

1 FY 2013 General Fund Operating Budget Add/Delete

2	Revenue & Expenditure Surplus/(Shortfall)			(814,880)	(135,264)	(225,581)	(155,581)	(811,812)	594,392	248,913	25,674	(321,630)
3	FY 2013 Add/Delete	Budget Memo	Estimated Amount	Possible Consensus Option A	Possible Consensus Option B	Mayor Euille	Vice Mayor Donley	Councilman Fannon	Councilwoman Hughes	Councilman Krupicka	Councilwoman Pepper	Councilman Smedberg
4												
5	Revenue re-estimate	48	1,263,397	1,263,397	1,263,397	1,263,397	1,263,397	1,263,397	1,263,397	1,263,397	1,263,397	1,263,397
6												
7	Real estate tax rate: value of one cent		3,398,079									
8	Tax rate increase/(decrease)(in cents)			0.00	0.20	0.20	0.20	(0.40)	0.00	0.75	0.10	0.00
9	FY 2013 revenue increase/(decrease)			0	679,616	679,616	679,616	(1,359,232)	0	2,548,560	339,808	0
10	Revised tax rate (cents per \$1,000 of value)		99.80	99.80	100.00	100.00	100.00	99.40	99.80	100.55	99.90	99.80
11												
12	Other Revenue Adjustments											
13	BPOL reduction for businesses serving seniors/clean fuel services	9	(10,000)	0	0	0	0	0	0	(10,000)	0	0
14	Use of Fund Balance											
15	Gang IPE Position	42 & 66	75,661	75,661	75,661	75,661	75,661	75,661	75,661	75,661	75,661	75,661
16												
17	Net Revenue Increase/(Decrease)			1,339,058	2,018,674	2,018,674	2,018,674	(20,174)	1,339,058	3,877,618	1,678,866	1,339,058
18												
19	Expenditures											
20	Technical Adjustments Increase (including VRS & Schools)	48	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713
21												
22	Expenditure Increases (Adds):											

Attachment 1

1 FY 2013 General Fund Operating Budget Add/Delete

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23	Complete Streets (Traffic Calming) - One program coordinator (\$82,000), annual on-going maintenance (\$100,000), annual capital (\$350,000)	7 & 53	532,000	532,000	532,000	532,000	532,000	532,000	0	532,000	375,000	350,000
24	Healthy Families - Restore funding reduced by the State	13	56,607	56,607	56,607	56,607	56,607	56,607	0	56,607	56,607	56,607
25	Community Service Board - Restore mental health, intellectual disability, and substance abuse funding reduced in the FY 2013 proposed budget	14	597,950	0	0	0	0	0	0	200,000	0	0
26	Community Service Board - Restoration of one older adult clinical services unit position	14	61,500	0	0	61,500	61,500	0	0	0	0	0
27	Senior taxi - Restore funding for reservation services provided by Senior Services of Alexandria	15	70,000	70,000	70,000	70,000	70,000	0	70,000	0	70,000	70,000
28	Preschool classroom - One additional school-based preschool class serving 16 four year olds	17	125,067	125,067	125,067	125,067	125,067	0	625,335	125,067	125,067	0

1 FY 2013 General Fund Operating Budget Add/Delete

	Revenue & Expenditure											
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29	Child care fee subsidy - \$100,000 to restore the family child care provider rate supplement and restoration of one administrative position to process payments (\$72,000)	39	172,000	0	0	0	0	0	172,000	0	0	0
30	AEDP - Restore marketing and advertising funds reduced in the proposed budget	43	83,368	83,368	83,368	83,368	83,368	83,368	83,368	83,368	0	83,368
31	Contingent Reserves - Add designated funding in Contingent Reserves for AEDP marketing and analysis needs	43	200,000	0	0	0	0	0	0	100,000	0	0
32	Parades - Provide funding for the City to assume the full cost of the Scottish Christmas Walk, GW Birthday, and St. Patrick's Day parades	45	38,000	0	0	0	0	0	0	0	0	0
33	Public safety pay compression - Funding to address salary compression issues in public safety agencies	50	400,000	400,000	400,000	400,000	400,000	0	400,000	400,000	300,105	400,000

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Revenue & Expenditure												
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3 FY 2013 Add/Delete	Budget Memo	Estimated Amount	Possible Consensus Option A	Possible Consensus Option B	Mayor Euille	Vice Mayor Donley	Councilman Fannon	Councilwoman Hughes	Councilman Krupicka	Councilwoman Pepper	Councilman Smedberg	
34	Career ladders and promotions - Funding to expand career ladders and create additional promotional opportunities for City employees	50	500,000	500,000	500,000	500,000	0	0	750,000	400,000	500,000	
35	King Street tree lighting - Extend the lighting of street trees in Old Town to year-round - Pay for banners on King Street, fund senior clinical services provider on line 24	51	95,700	31,200	31,200	30,000	30,000	95,700	0	95,700	95,700	0
36	Council & Aide salaries - Funding for salary increases for Council members and aides	52	120,000	0	0	0	0	0	45,000	50,000	0	0
37	Community Lodgings	tbd	63,250	0	0	0	0	63,250	63,250	63,250	0	0
38	Library hours		50,000	50,000	50,000	50,000	0	50,000	50,000	50,000	0	0
39	Concerned Citizen Network of Alexandria		20,000	0	0	20,000	0	0	20,000	0	0	0
40	Contingent Reserves: Senior Services - Meals on Wheels		39,983	39,983	39,983	30,000	30,000	0	60,000	0	30,000	0
41	New Budget Analyst to Monitor School Capital and Operating Budgets and related Transfer		90,000	0	0	0	0	0	90,000	90,000	0	0
42	Contingent Reserves - Community outreach and public process		20,000	0	0	20,000	20,000	0	0	20,000	0	0
43	Teen clinic funds to offset lost State aid (if necessary)	23	65,000	65,000	65,000	65,000	65,000	0	65,000	65,000	0	0

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81	DASH bus replacement/acquisition - accelerate schedule		1,200,000	0	0	0	0	0	0	1,200,000	0	0
82	Miracle Field and other field improvements - accelerate schedule		1,200,000	0	0	0	0	0	0	1,200,000	0	0
83												
84	Total Uses			0	0	32,000	0	0	0	2,899,000	0	50,000
85												
86	Remainder (to Fund Balance)			907,683	1,923,437	1,801,120	1,903,120	238,476	2,316,955	332,992	1,916,306	1,350,933
87												
88	Summary Information			Possible Consensus Option A	Possible Consensus Option B	Euille	Donley	Fannon	Hughes	Krupicka	Pepper	Smedberg
89	FY 2012 Approved General Fund Budget			566,862,748	566,862,748	566,862,748	566,862,748	566,862,748	566,862,748	566,862,748	566,862,748	566,862,748
90	FY 2013 Tentative General Fund Budget			587,759,696	587,759,696	587,850,013	587,780,013	586,397,396	586,350,424	589,234,463	587,258,950	587,266,446
91	\$ Change FY 2012 to FY 2013			20,896,948	20,896,948	20,987,265	20,917,265	19,534,648	19,487,676	22,371,715	20,396,202	20,403,698
92	Average residential real estate tax bill increase			3.7%	3.7%	3.7%	3.7%	3.4%	3.4%	3.9%	3.6%	3.6%
93				\$52	\$61	\$61	\$61	\$34	\$52	\$86	\$57	\$52

1. WMATA subsidy – The amount of technical expenditure adjustments in budget memo #48 included a \$246,707 increase in the transit operating subsidy due to a formula miscalculation by WMATA that resulted in a higher subsidy than WMATA had included in its proposed budget. Staff has since learned that due to other savings at WMATA, the impact on the City's subsidy is \$100,000 less than previously reported. The remaining subsidy increase can be funded from the City's State aid and gas tax revenues at NVTC with no impact on the General Fund.
2. Meals on Wheels and King Street banners – The preliminary add/delete request was submitted as \$60,000 and reduced to \$30,000 in the preliminary add/delete work session. Senior Services of Alexandria proposes implementation in October at a cost of \$39,983. Funding for King Street lights was proposed to be converted to \$30,000 for banners during the preliminary add/delete work session. The cost to install newly designed banners is \$31,200 (\$3,000 for design, \$22,000 for fabrication and \$6,200 for maintenance). The cost to install banners from an existing design would be \$2,000 less.
3. Gang IPE position – Budget memo #42 identified a \$75,661 FY 2012 Contingent Reserve designation that could be used to fund a portion of the Gang IPE position in FY 2013 and the remaining cost to be funded through add/delete as \$9,339. The preliminary add/delete list included \$9,339 to fund the position in FY 2013. In order to accurately reflect the true budget impact, staff has replaced that amount with the full cost of the position (\$85,000) in the expenditure increases section and added \$75,661 from fund balance in the revenue section to reflect the FY 2012 Contingent Reserve designation being appropriated in FY 2013. There is no net impact as a result of this change.