CITY OF ALEXANDRIA
RECREATION, PARKS AND CULTURAL ACTIVITIES

Overall General Fund Budget for RPCA FY16

<table>
<thead>
<tr>
<th>FY2016</th>
<th>Approved Budget</th>
<th>Actual Year End</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures</td>
<td>$21,767,593</td>
<td>$21,724,833</td>
<td>$42,760</td>
</tr>
<tr>
<td>Revenue</td>
<td>$3,612,191</td>
<td>$4,085,051</td>
<td>$472,860</td>
</tr>
<tr>
<td>Net Impact GF</td>
<td>$18,155,402</td>
<td>$17,639,782</td>
<td>$515,620</td>
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</tbody>
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Issues for Consideration

- In FY17 budget preparation revenues were not allowed to offset budget reductions.
- More cuts than necessary when not factoring revenue production.
- Resource recovery model recognizes that higher tiers of programs may offset lower tier programs.
- To maintain services lower tier services have to move to higher tiers when revenue is not allowed as an offset.
- The organization can lose incentive for resource recovery model.
Five Year Financial Forecast

 Millions of Dollars

FY 2017  FY 2018  FY 2019  FY 2020  FY 2021

$0.0  ($10.3)  ($16.6)  ($22.3)  ($34.4)

$18.9  ($28.3)  ($28.7)  ($35.2)  ($48.0)

$46.4  ($58.9)  (\text{...})  (\text{...})  (\text{...})

$74.0  ($44.0)  ($34.0)  ($24.0)  ($14.0)  ($4.0)

FY17 Revised Projection - Assumes Medium Revenue Growth
FY17 Revised Projection - Assumes High Revenue Growth
FY17 Revised Projection - Including ACPS Unfunded Projects
FY 2020 Forecast

- Three year timeframe

- Estimated $60 M gap if ACPS enrollment growth and CIP are fully funded and there is no tax rate increase

- Roughly 10% of the FY 2017 approved General Fund
For the Council Retreat

- How would your department utilize 10% fewer resources? (10% reduction)

- What would be the impact on the community?

- Purpose:
  - Communication to Council & the public
  - Begin planning long-term adjustments
Guidelines

- Fiscally sustainable (i.e. no deferrals)
- Service & policy changes only
- May consider operating and capital (category 3 projects only)
- May consider cost recovery
- Program and $ amounts only
- No exemptions
- Others?
Timeline

- Instructions next week
- Due ~ October 14th
- Presented at the Council Retreat
- FY 2018 reduction targets and department submissions in Oct/Nov
- Focus area and cross-focus area meetings in December