

City of Alexandria, Virginia
BUDGET AND FISCAL AFFAIRS ADVISORY COMMISSION
Regular Meeting
Tuesday – March 20, 2018
7 p.m.
Alexandria City Hall
Sister Cities, Room #1101
301 King Street
Alexandria, VA 22314

Summary Minutes

Commission Members:

Ben Klein (Chair), Kathy Stenzel (Vice Chair), David Baker, Martin Frost, Margaret Gullen, Skip Maginniss, Ericka Miller, Leonard Rubenstein, Robert Shea, Joe Valenti

Absent: Kirk McPike (excused), Jesse O’Connell (excused), Michael Wenk (excused)

OMB Staff:

Lisa Henty, Morgan Routt, Arthur Wicks

Others in Attendance (Guests/Staff/Public):

None

Agenda:

- I. Call to Order:** Chair **Klein** called the meeting to order at 7:00 with a quorum present.
- II. Approval of Minutes:**
 - a. **Wicks** noted that date listed on minutes needs to be corrected.
 - b. **Rubenstein** noted that section IV.f of the February 27th minutes should note that BFAAC members expressed the desire that the cumulative impact report be released to Council as soon as possible.
 - c. **Frost** moved to approve the minutes, with edits. **Baker** seconded the motion. The motion carried by unanimous voice vote.
- III. Joint BFAAC/BAC Meeting**
 - a. **Stenzel** provided an overview of the meeting held on March 13th, and outlined the next steps for drafting the Joint BFAAC/BAC memo responding to the Ad-Hoc Joint City/School Facilities Investment Task Force.
- IV. Discussion of Draft BFAAC Response to Proposed Budget**
 - a. **Klein** discussed purpose/goals of discussion, and asked committee members to provide overview of current state of drafts and what work remains on each section. **Klein** asked committee members to provide specific comments/edits on drafts via track changes.
 - b. **Maginniss** provided an overview of the Revenues section of the response document.

- i. **Klein** asked that the revenue and expenditures gap chart be included in this section.
 - ii. **Rubenstein** asked for clarification on what Gross Regional Product is. Maginniss explained that this is a regionalized version of GNP, used by Stephen Fuller Institute.
 - iii. **Rubenstein** asked if the City is currently studying the effectiveness of its economic development investments, and if so, are they sufficient? **Klein** noted that BFAAC's FY 2017 report included recommendations about the accountability of economic development initiatives. **Klein** suggested that the FY 2019 report include these recommendations again.
 - iv. **Shea** brought up the example of the Torpedo Factory and how the City and other community groups may have a different definition of when an asset is or is not operating at a loss. **Shea** raised the question of whether or not this should be included in the Revenues section.
 - v. **Valenti** noted that many of the marketing investments included in the Proposed Budget are items that would typically be handled by a BID (i.e. targeted investments in a specific area). If these are the investments the City plans to make, then perhaps the BID topic should be revisited. **Valenti** will provide language on this topic to be included in the revenues section of the report.
- c. **Klein** provided an overview of the Cover Letter and Budget Policies & Priorities section of the report.
- i. **Rubenstein** noted that he agrees with including the language related revenue set asides, however there is concern that Council will create set-asides anyway.
 - ii. **Klein** raised the issue of whether or not the report should discuss the City's debt policies/ratios. Consensus of committee was to not include a report section on this topic.
- d. **Valenti** provided an overview of the Affordable Housing section of the report.
- i. **Gullen** asked if there was data to confirm the opening paragraph of the section, which notes the substantial loss of affordable housing units in the City. **Valenti** has this data and will include in the draft.
- e. **Baker** provided an overview of the compensation section of the report.
- i. **Rubenstein** expressed concern that raising the issue of compensation, without provide additional analysis may be of limited utility.
 - ii. **Maginniss** asked how often other jurisdictions review their compensation system.
 - iii. **Klein** suggested that the report note that the committee applauds the City Manager for being proactive and including funding for public safety compensation, however the City may need to review its overall process for reviewing compensation.
 - iv. **Baker** will provide updated text to reflect the committee's discussion.

- f. **Klein** will combine the report sections into one draft and send to committee for review. Comments are due from committee members by April 2nd. Committee will meet on April 9th to review final drafts and vote on documents. The committee's April 17th meeting will be cancelled, and the committee will be present at the April 18th budget worksession to report its findings to City Council.

- V. **OMB Report:** Routt provided an overview of the budget development process.
 - a. **Rubenstein** asked for an update on when the cumulative impact report will be released. **Routt** responds that he hopes to release the report within the next week.
 - b. **Rubenstein** asked if the committee should discuss this report during the April 18th worksession.

- VI. **Adjournment:** **Maginniss** moved that the meeting be adjourned, **Shea** seconded. The motion carried by unanimous voice vote. The meeting adjourned at 8:30 p.m.

- VII. **Next Meeting:** April 9, 2018