

**City of Alexandria, Virginia**  
**BUDGET AND FISCAL AFFAIRS ADVISORY COMMISSION**  
**Regular Meeting**  
**Tuesday-March 19, 2019**  
**7 p.m.**  
**Alexandria City Hall**  
**Sister Cities Conference Room #1101**  
**301 King Street**  
**Alexandria, VA 22314**

**Summary Minutes**

**Commission Members:**

Jesse O'Connell (Chair), Kathy Stenzel (Vice Chair), Janet Blair-Fleetwood (Secretary), Paul Igasaki, Ben Klein, Nicholas Lee, Kirk McPike, Greg Parks, Robert Rapanut, Deb Roepke, Joe Valanti

*Absent:* Skip Maginniss (excused)

*Vacant:* Representative for Alexandria Chamber of Commerce

**OMB Staff:**

Morgan Routt  
Arthur Wicks

**Others in Attendance (Guests/Staff/Public):**

Mark Jinks, City Manager (departed after the discussion noted in #2 below)

**Agenda:**

- 1. Call to Order:** Chair **O'Connell** called the meeting to order at 7:00 with a quorum present.
- 2. Discussion with the City Manager:** City Manager Jinks provided an overall discussion of the City FY 2020 budget development process.
  - a.** Priority Based Budgeting was used for the FY 2020 Budget development process.
    - i.** Utilized best practices of other jurisdictions
    - ii.** Identified all services provided by the City Departments
    - iii.** Utilized Strategic Plan and intended outcomes to score services against basic attributes to develop City priorities
      - 1.** All Departments then reviewed scoring priorities to validate initial results
      - 2.** Peer Review provided further validation, small adjustments were made based on this review
      - 3.** Results were sorted into priority quadrants and City Departments then developed their budgets based on these priorities
    - iv.** Departments used the prioritization results to reallocation resources and/or to development supplemental funding requirements

- v. The scoring helped keep priorities the focus of budget development and reduce the use of across-the-board reductions
  - vi. Helped identify reductions, but also unfunded requirements early in the process
- b. Alexandria Schools budget
  - i. Focused on reducing health care costs and were able to reduce deductibles, then put the savings into teacher salaries
  - ii. Initial schools unfunded requirement was \$22 million, but through efforts with the City, that requirement was reduced to \$8.5 million
  - iii. City is reviewing school set asides for infrastructure since schools have deferred maintenance that doesn't always get funding priority
  - iv. The Amazon move impact on schools is expected to be gradual as Amazon employees will move over the course of several years as well as the expectation that those employees will settle across the region, not just in the City
- 3. **Approval of the Minutes:** **Stenzel** provided clarifying comments to the draft minutes of the March 12, 2019 meeting. **Klein** moved to approve the minutes with the changes, **Lee** seconded the motion. The motion carried by unanimous voice vote.
- 4. **Introduction to the City Budget and Process:** **Rouff** provided an overview of the City FY 2020 budget for the Commission, including:
  - a. Revenue sources and the proposed elimination of the car registration stickers;
  - b. City budget expenditures
    - i. Cost drivers in the budget are schools, salaries, public safety salaries, health insurance costs, inflation, transportation and construction escalation
  - c. The City is conducting surveys of city residents to determine the impacts of Full-Time Equivalents (FTE) reductions and funding shifts since 2009
  - d. Capital Improvement Plan budget including funding policies that are used by debt rating agencies
  - e. Overall budget development schedule
  - f. **Wicks** provided a tutorial on the city of Alexandria budget site highlighting budget information available to the BFAAC as well as City residents
- 5. **BFAAC Recommendation and Observations Related to the City Manager's Proposed FY 2020 Budget**
  - a. A very early draft of the memorandum was provided. Commissioners were requested to provide comments and input so the memorandum can be finalized by April 5.
  - b. A meeting was scheduled, March 28, 2019, to review the updated memorandum. April 4, 2019 was also scheduled in case additional work is needed.
- 6. **BFAAC/BAC Joint Meeting Update**
  - a. Ongoing interactions continue. BFAAC encourage the two staffs to continue working together because it has been fruitful to date
- 7. **Affordable Housing Report Update**

- a. **Valenti** explained that a great deal of work has gone into the report. The final report is expected in June. An interim report will be developed for the City Council noting the delayed completion (initially planned for first quarter 2019), providing an update on the findings, and to ask for Council feedback
- 8. OMB Report**
  - a. Working sessions with the City Council continue with deliberations on schedule for the May budget approval
- 9. Adjournment:** **Stenzel** moved that the meeting be adjourned, **Klein** seconded. The motion carried by unanimous voice vote. The meeting was adjourned at 9:12 p.m.
- 10. Next Meeting:** Thursday, March 28, 2019.