

City of Alexandria, Virginia

MEMORANDUM

Date: OCTOBER 15, 2019

TO: THE HONORABLE MAYOR AND THE MEMBERS OF THE CITY COUNCIL

FROM: BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE (BFAAC)

SUBJECT: MEMO #7 – RECOMMENDATIONS FOR FY 2021 BUDGET GUIDANCE

As Council develops its budget guidance for FY 2021, BFAAC encourages Council to:

- **Focus on Policy Outcomes** – As always, BFAAC reiterates its recommendation that Council guidance focus on achieving policy outcomes, rather than giving the City Manager specific instructions. BFAAC recommends Council avoid giving specific instructions in areas such as: employee compensation, school division transfers, tax rates, number of full-time equivalents in specific departments, etc. and allow the City Manager to present Council a variety of options to meet strategic objectives identified in its guidance.
- **Look Beyond the Budget Cycle** – Even as the task at hand is to offer the Manager guidance on the FY 2021 budget, we encourage you to also consider the impact your decisions and choices will have on budget cycles to come. The investments we make now—or the investments we decline to make—may or may not set us up to meet challenges five or ten years down the line.
- **Pursue New Revenue Initiatives** – BFAAC has delivered to Council a memo on options and ideas that might grow and diversify the City’s revenue base. We encourage you to direct the Manager to explore implementation and/or exploratory modeling of the revenue initiatives that you find most promising.
- **Examine the Citizen Engagement Process** – BFAAC encourages Council to spread out the citizen engagement process so that feedback and input on budgetary issues can be gathered over a longer and less urgent feeling period of time. Additionally, we suggest exploring ways to use new tools to deliver information to and communicate with the public. Spreading out engagement also presents an opportunity to more thoroughly educate the community to the fact that the budget is a means to fulfilling Alexandria’s Strategic Plan; too often we end up in debates among advocacy and interest groups regarding their funding preferences without helping people understand that often these decisions are much more strategic and interconnected.
- **Act Regionally** – BFAAC was encouraged to see the first Alexandria/Arlington joint work session to address the challenges and opportunities expected from Amazon’s HQ2

and the Virginia Tech Innovation Campus. Given the early stages of this nascent effort to collaborate on affordable housing, transit improvements, and workforce training we recommend that you give budget guidance in these areas that preserves maximum flexibility and does not foreclose on future opportunities for cost-sharing or co-investment.