FY 2012 BUDGET GUIDANCE-DIRECTION TO MANAGER FOR PREPARATION OF FY 2012 BUDGET

GOALS:

The County Board directs the County Manager to prepare a FY 2012 budget that reflects the current economic situation while honoring the County's vision and legacy. Specifically, the FY 2012 budget must, at a minimum, fund services that protect the health and safety of our residents, continue our investments in affordable housing and environmental sustainability, fund the public schools, and ensure a safety net for those in need.

PRINCIPLES:

1. Provide a balanced budget that limits FY 2012 County Expenditures (excluding Schools Transfer) to the FY 2011 adopted level plus 1.14% (Consumer Price Index – Urban, change over the previous 12 months)
2. Allow for expenditures above the total noted in (1) in three situations:
    a. To abide by the provisions of the revenue sharing agreement with the Schools
    b. To meet explicit commitments previously made by the County Board for new facilities (i.e.Mary Marshall Assisted Living Facility, Fire Station 3, Long Bridge Park Phase 1, and Columbia Pike Garage (Penrose)).
    c. If fully offset by fee revenue.
3. Ensure that the budget provides for long-term financial sustainability.
4. Preserve the County's Triple AAA bond ratings.
5. Fully fund all debt, lease and other contractual commitment including those "subject to appropriation" in the base budget.
6. Add no new positions or programs supported by local tax revenues unless
    a. Bringing existing services in-house can be shown to save money
    b. There is a dedicated funding source for the positions or programs
    c. They are to meet explicit commitments previously made by the County Board for the facilities listed in 2.b. above.
7. Eliminate duplication and inefficiencies.
8. Provide options for compensation that address competitive and/or health care pressures

STRATEGIES:

1. Evaluate strategic choices such as investments in maintenance capital that would reduce ongoing operating expenses.
2. When proposing the elimination of a non-essential service, present, where possible, fee options that could offset the potential elimination of a non-essential service and/or new public/private partnerships designed to deliver the service.

3. Present alternatives that reduce costs through consolidation, mergers, contracting, partnerships, and other service mechanisms.
4. Incorporate evaluation of 2010 and 2011 cuts, where information is known, and identify performance measures that will be used to evaluate significant cuts proposed for 2012.
5. Provide comparative analysis of compensation in the region showing Arlington’s performance in recent years and assessing current standing, and relating to longstanding County compensation goals.