City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 7, 2011

TO: THE HONORABLE MA YOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN. CITY MANAGER~

SUBJECT: BUDGET MEMO # 43 : OPTIONS TO RESTORE STATE BUDGET REDUCTIONS TO HEALTHY FAMILIES ALEXANDRIA

This memorandum is a response to Vice Mayor Donley's request for information concerning the impact of the state reductions to Healthy Families Alexandria and potential options for the restoration of state funds by the City. The Virginia General Assembly recently voted to reduce the budget for Healthy Families statewide by $1.5 million. The reduction passed by the General Assembly would reduce Healthy Families Alexandria's state allocation from $251,501 in FY 2011 to $178,501 in FY 2012, a reduction of $73,000 (30%).

In FY 2010, Healthy Families Alexandria provided support to 233 families. The FY 2012 state reduction will result in the loss of one full-time Family Support Worker, which means 25 fewer families will be served by Healthy Families Alexandria next year. Serving 25 fewer families equates to a service reduction of nearly 11 % when compared to number of families served in FY 2010.

The City provided $295,195 in General Fund support to Healthy Families in FY 2011 through the Alexandria Fund for Human Services Children's Fund. The Children's Fund provides General Fund dollars for early childhood and early intervention programs through a competitive grant award process to community-based organizations to meet priorities in the community as identified by the Early Childhood Commission. Awards from the Fund are made biennially through a competitive process that requires community-based organizations to submit funding proposals to the City.

A direct allocation of $73,000 would be the most effective way to guarantee restoration of the state reductions to Healthy Families in FY 2012 should City Council choose to provide such funding through the add-delete process. Providing an additional $73,000 to the Fund for Human Services would not guarantee that Healthy Families would receive the funding given the competitive nature of the Fund. Additionally, the decrease in state funds is an ongoing reduction. If $73,000 was added to the Fund for Human Services, Healthy Families would have to compete biennially for additional City dollars to fill the ongoing budget gap created by the General Assembly. It is important to remember that Healthy Families will already have to compete against other community-based organizations for continuation in FY 2012 of the $295,195 it was awarded in FY 20 J J .