

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 12, 2011

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: BUDGET MEMO # 53 : TECHNICAL EXPENDITURE ADJUSTMENTS TO FY 2012 PROPOSED OPERATING BUDGET

This memorandum provides information on technical adjustments and corrections in the FY 2012 Proposed Operating budget. The table below summarizes all of the changes to the General Fund which are recommended to the FY 2012 Proposed Operating budget. The net reduction to the City Manager's Proposed General Fund Operating Budget is \$607,120.

Department	Comments	Amount
Court Service Unit	Increased state salaries results in a reduction to the City's Supplement for state employees	(\$63,675)
Other Public Safety – Adult Probation and Parole and Public Defender	Increased state salaries results in a reduction to the City's Supplement for state employees	(\$103,950)
Alexandria Economic Development Partnership	Additional Alexandria Industrial Development Authority revenue to offset some of the need for General Fund support	(\$24,052)
DCHS	Increase the applied turnover savings rate in the CSB areas of the DCHS from 2.5% to 3%	(\$90,000)
DCHS	Shift a portion of the cost of 1.0 FTE to Special Revenue from General Fund	(\$40,000)
DCHS	Aging Administration - Reduction in budgeted amount to be more closely aligned with actual expenditures	(\$40,000)
DCHS	VDSS Companion Program – Reduction in budgeted amount to be more closely aligned with actual expenditures	(\$94,000)
DCHS	Out of School Time Program Administration efficiencies and utilization	(\$30,000)
DCHS	Local Supplement to Day Care Providers	(\$50,000)

DCHS	Dental Services	(\$50,000)
Sheriff	State Criminal Alien Assistance Program Cost Reduction	(\$12,694)
Sheriff	Medical Services Contract	(\$100,000)
Sheriff	Mental Health Services Contract	(\$61,820)
Finance	Parking adjudication contract costs	(\$12,000)
Finance	Overtime	(\$20,000)
RPCA	Begin depreciating the new Mobile Stage in the first full year of ownership which is FY 2013	(\$10,000)
RPCA	Potomac Greens Park maintenance delayed to FY 2013	(\$62,500)
General Services	Funds for the ASAP lease will not be needed in FY 2012	(\$76,650)
General Services	Appropriation needed to fund rekeying of surplus vehicles (approximately 50 per year)	\$28,750
Other Public Safety - Animal Shelter	Increase to contract with animal shelter budgeted at a lower amount than required	\$10,471
Information Technology Services	Additional appropriation needed to fund Microsoft Enterprise Agreement	\$125,000
City-wide	Increased costs from higher health insurance premium costs	\$170,000
		(\$607,120)

General Fund Reductions

- A \$63,675 decrease in General Fund appropriation to the Court Service Unit. The proposal in the State budget to increase State employee salaries by 5% results in a reduction to the City's Salary Supplement for State employees in the CSU.
- A \$103,950 decrease in General Fund appropriation to the Other Public Safety Department. The proposal in the State budget to increase State employee salaries by 5% results in a reduction to the City's Salary Supplement for State employees in both Adult Probation and Parole (\$49,920) and the Public Defender (\$54,030).
- A \$24,052 decrease in General Fund appropriation to the Alexandria Economic Development Partnership, Inc. Additional Alexandria Industrial Development Authority revenue has been received and can be used to offset some of the need for General Fund support.
- A \$90,000 decrease in General Fund appropriation to the Department of Community and Human Services. The applied turnover rate of 2.5 percent is recommended to be increased to 3 percent to more accurately reflect the turnover in Community Services Board positions.
- A \$40,000 decrease in General Fund appropriation to the Department of Community and Human Services. The department will shift a portion of the cost of 1.0 FTE from the General Fund to the Special Revenue Fund.

- A \$40,000 decrease in General Fund appropriation to the Department of Community and Human Services. The budgeted amount for administration in the Office of Aging can be reduced to align more closely with actual expenditures.
- A \$94,000 decrease in General Fund appropriation to the Department of Community and Human Services. The General Fund support of the Virginia Department of Social Services Companion Program can be reduced as staff is optimizing available Medicaid waiver revenue for clients.
- A \$30,000 decrease in General Fund appropriation to the Department of Community and Human Services. The budgeted amount for Out of School Time administration is able to be reduced to more closely align with actual expenditures.
- A \$50,000 decrease in General Fund appropriation to the Department of Community and Human Services. The budgeted amount for the Local Supplement to Day Care Providers is able to be reduced to more closely align with actual expenditures. This reduction will not impact current providers.
- A \$50,000 decrease in General Fund appropriation to the Department of Community and Human Services. The General Fund support for dental services can be reduced to be more closely aligned with actual expenditures. The reduction will have no impact on services provided that current levels of federal funding and grants remain intact.
- A \$12,694 decrease in General Fund appropriation to the Office of the Sheriff. The State Criminal Alien Assistance Program had been performed by a third party previously. By utilizing existing staff the department has been able to perform the function at a lower cost and has been able to increase the amount of SCAAP eligible inmates.
- A \$100,000 decrease in General Fund appropriation to the Office of the Sheriff. The medical services contract has been renegotiated to reflect the decreased utilization.
- A \$61,820 decrease in General Fund appropriation to the Office of the Sheriff. The level of mental health services will remain unchanged in FY 2012. The budgeted amount is greater than the amount expended in previous years, therefore the budget can be reduced to be more closely aligned with actual expenditures.
- A \$12,000 decrease in General Fund appropriation to the Finance Department. Due to the increased use of online and self-service options for parking adjudication the contract costs have been reduced.
- A \$20,000 decrease in General Fund appropriation to the Finance Department. The use of a new tax system and public outreach has reduced the need for some tax season overtime.
- A \$10,000 decrease in General Fund appropriation to the Department of Recreation, Parks and Cultural Activities. A new mobile stage will be purchased in FY 2012 and depreciation of that unit can be shifted back to the first year of full ownership which is FY 2013.
- A \$62,500 decrease in General Fund appropriation to the Department of Recreation, Parks and Cultural Activities. The Potomac Greens Park is not expected to be completed in FY 2012 so the supplemental request to fund maintenance costs can be deferred until FY 2013.
- A \$76,650 decrease in the General Fund appropriation to the Department of General Services. The transfer of the City's Alcohol Safety Action Program (ASAP) to the Commonwealth of Virginia will enable the City to eliminate the amount budgeted for the leased space for the ASAP Program.

General Fund Increases

- A \$28,750 increase in General Fund appropriation to the General Services Department. As Police and Sheriff's Department vehicles are surplused, it is necessary to rekey the vehicle to have a unique lock and key.
- A \$10,471 increase in General Fund appropriation to Other Public Safety agencies. The contract with the Animal Shelter requires a CPI-driven increase. The proposed budgeted amount was lower than the amount required.
- A \$125,000 increase in General Fund appropriation to the Information Technology Services Department. A portion of the required amount needed to fund the second year of the Microsoft Enterprise Agreement was inadvertently left out of the City Manager's Proposed Budget.
- A \$170,000 increase in General Fund appropriation distributed City-wide, as necessary, to reflect an increase in the estimated health insurance premium rate increase for Kaiser Permanente from 5% to 7.5%.

Special Revenue Fund Increase

- A \$44,129 increase in the Special Revenue Fund Appropriation to the Department of Community and Human Services. Subsequent to the finalization of the City Manager's Proposed Budget, the City was awarded a third year of funding for the Crisis Intervention grant. The Crisis Intervention Team (CIT) is a state-funded program that trains Alexandria law enforcement in basic mental health and crisis de-escalation techniques as part of the overall jail diversion continuum.