

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 10, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER 

SUBJECT: BUDGET MEMO #32: IMPACT OF STATE AND FEDERAL BUDGET REDUCTIONS

The table below shows the dollar and percent change in federal and state funding from the FY 2012 Approved to FY 2013 Proposed budgets. In order to capture all changes the table is broken into General Fund revenue by governing body and Special Revenue Fund by departmental impact.

Total General Fund revenues from the state and federal governments have increased by \$410,000 or 0.8%, while total Special Revenue Fund have decreased by roughly \$3.6 million, or -4.1%. Together this equates to a total loss of roughly \$3.2 million, or -2.3%. The Department of Community and Human Services (DCHS) lost the largest dollar amount with a total reduction of roughly \$3.3 million. The reduction in DCHS revenues is mostly attributable to the transfer of responsibility and funding for the Child Day Care Fee System from the City to the State (\$2.5 million) and the transfer of responsibility and funding for the Virginia Preschool Initiative (VPI) from the City to the Schools (\$0.8 million) as described on page 15-31 of the FY 2013 proposed budget. The Office of Housing realized the largest percent decrease with a loss of -54.7%, all of which can be attributed to federal fund reductions from the U.S Department of Housing and Urban Development. More information on the Housing budget will be provided in a separate report to Council.

General Fund Revenue

	FY 2012 Approved	FY 2013 Proposed	Dollar Amount Change	Percent Change
STATE AID				
HB 599 (law enforcement aid)	\$5,380,536	\$5,380,536	\$0	0.0%
Personal Property Tax Reimbursement	\$23,578,531	\$23,578,531	\$0	0.0%
Compensation Board Reimbursements for Sherriff and Other Constitutional Officers	\$6,949,748	\$6,949,748	\$0	0.0%
Compensation Board Reimbursements for Treasury & Revenue Administration	\$492,674	\$492,674	\$0	0.0%
State Prisoner Per Diem	\$462,272	\$462,272	\$0	0.0%
State Aid for Road Maintenance	\$6,625,769	\$6,625,769	\$0	0.0%
Other State Aid	\$1,320,000	\$1,320,000	\$0	0.0%
Local Aid to the State	-\$1,280,514	-\$1,080,514	\$200,000	-15.6%
TOTAL STATE AID	\$43,529,016	\$43,729,016	\$200,000	0.5%
FEDERAL AID				
Federal Prisoner Per Diem	\$6,735,337	\$6,735,337	\$0	0.0%
State Criminal Alien Assistance Program	\$175,000	\$175,000	\$0	0.0%
Build America Bonds Subsidy	\$1,713,303	\$1,713,303	\$0	0.0%
Other Federal Aid (Including indirect costs recovered from federal grants)	\$824,000	\$1,034,000	\$210,000	25.5%
TOTAL FEDERAL AID	\$9,447,640	\$9,657,640	\$210,000	2.2%
TOTAL GENERAL FUND REVENUE	\$52,976,656	\$53,386,656	\$410,000	0.8%

Special Revenue Fund

	FY 2012 Approved	FY 2013 Proposed	Dollar Amount Change	Percent Change
Schools	\$45,268,764	\$46,028,411	\$759,647	1.7%
DCHS	\$35,398,402	\$32,139,501	(\$3,258,901)	-9.2%
Housing*	\$2,164,110	\$980,032	(\$1,184,078)	-54.7%
Fire	\$1,226,863	\$1,306,004	\$79,141	6.5%
Other City Departments	\$2,846,437	\$2,851,138	\$4,701	0.2%
TOTAL SPECIAL FUND REVENUE	\$86,904,576	\$83,305,086	(\$3,599,490)	-4.1%
TOTAL ALL FEDERAL AND STATE REVENUES	\$139,881,232	\$136,691,742	(\$3,189,490)	-2.3%

* The FY 2012 Approved and the FY 2013 Proposed special revenue amounts for Housing reflect only new CDBG and HOME grant funding. They do not include other departmental special revenue fund sources (Program Income, Carryover, and Housing Trust Fund). A summary of the Housing Department budget will be presented to City Council.

STAFF: Laura Triggs, Acting Chief Financial Officer
Morgan Routt, Acting Budget Director
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