


*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

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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.

