

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 2, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER 

SUBJECT: BUDGET MEMO #4: SUMMARY OF MAJOR ADJUSTMENTS
(INCREASES AND REDUCTIONS) IN THE FY 2013 PROPOSED BUDGET

The purpose of this memorandum is to provide a complete list of the \$1.4 million in supplemental budget increases and \$6.8 million in expenditure reductions included in the FY 2013 General Fund Proposed Budget.

The FY 2013 General Fund Proposed Budget includes a \$18.7 million, or 3.3%, increase over the FY 2012 Approved Budget. The increase includes a \$5.8 million increase in the transfer to the Alexandria City Public Schools (ACPS) and a \$13.0 million increase in City government expenditures.

The \$13.0 million City government increase is due to an \$18.4 million increase in the cost to maintain current services and policies¹ and \$1.4 million in service expansions offset by \$6.8 million in budget reductions. A complete list of those service expansion and budget reduction items is attached for your consideration.

ATTACHMENTS: List of supplemental increases and reductions.

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

¹ \$18.4 million current service increase includes:

- \$9.6 million in personnel costs for existing employees
- \$2.6 million in previously planned CIP cash capital and debt service
- \$2.2 million to open the previously approved Eisenhower Fire Station
- \$2.0 million in increases in the cost of current transit services and previously planned DASH bus expansion
- \$2.0 million in other cost increases associated with existing maintenance agreements

Expenditure Reductions

	Dept	Reduction	Amount	FTEs
Goal 1 - Land Use & Economic Development				
1-1	Code Administration	The Rodent Abatement contract was re-engineered resulting in a \$50,000 budget savings. Under a new contract, proactive baiting will be limited to Old Town Alexandria and areas near the Potomac River which contain the highest concentration of rodents. The remainder of the City will be baited on an as needed basis.	-50,000	
1-2	Code Administration	The purchase of computer equipment will be deferred as part of a City-wide reduction option, resulting in savings of \$6,000 to the City.	-6,000	
1-3	Economic Development	Small Business Development Center (SBDC) reduction in client consulting to Alexandria's small business owners.	-17,264	
1-4	Economic Development	Alexandria Economic Development Partnership (AEDP) reduction in industry-specific print, Internet and broadcast advertising .	-83,368	
1-5	Planning & Zoning	Cost of one Urban Planner II transferred to building permit fees with no change in services.	-95,776	
1-6	Planning & Zoning	Elimination of funding for planning and development consulting services provided by outside expertise. Major FY 2013 planning studies are proposed to be funded from FY 2012 savings.	-100,000	
		Subtotal	-352,408	0.0
Goal 2 - Health & the Environment				
2-1	DCHS	General Fund support is reduced by an estimated increase in Medicaid revenues.	-24,705	
2-2	DCHS	General Fund costs reduced by identifying two positions eligible for partial reimbursement from the Virginia Department of Social Services (VDSS).	-50,061	
2-3	DCHS	Eliminate part-time Direct Support Technician responsible for providing direct support to clients with intellectual disabilities within the City's Day Support program.	-24,910	-0.5
2-4	DCHS	Eliminate Adult Services Assistant Director in the Center for Adult Services, potentially resulting in delays to the integration/coordination of consistent best practices models within the mental health outpatient services activity.	-135,626	-1.0
2-5	DCHS	Eliminate one technology services position within DCHS which will impact internal IT service levels for the department.	-162,414	-1.0
2-6	DCHS	Companion Aid Program efficiency savings resulting from the continued referral of clients to the Medicaid Home and Community Based Waiver Program (\$67,857) and elimination of the General Fund match for VDSS Adult Services programs (\$87,143) due to the State proposing to eliminate all VDSS Companion Program funding.	-155,000	
2-7	DCHS	Eliminate Senior Taxi Reservation Service provided by Senior Services of Alexandria which schedules reservations with Yellow Cab on behalf of Senior Taxi riders with no impact on the number of one-way trips or current rate for a one-way trip.	-70,000	

2-8	DCHS	Reduce General Fund support for the purchase of prescription drugs for DCHS clients with psychiatric illnesses with sufficient funding still in place to adequately support the current caseload of clients in need of psychotropic medication.	-200,000	
2-9	Health	As part of the department's employee retention strategy, one vacant part-time Public Health Nurse Aide II position will be converted to a full-time City funded Emergency Planner position to assist with emergency preparedness activities in the City.	-45,760	-0.8
2-10	Health	The department proposes to eliminate the Respiratory Health activity and to distribute its related duties to other personnel in the department.	-27,847	-0.3
2-11	Health	One vacant part-time Environmental Health Supervisor position is proposed to be eliminated with no anticipated service impact to the City.	-85,995	-0.8
2-12	Health	One part-time Administrative Support position will be eliminated in FY 2013. The duties for this position will be handled by other personnel in the department.	-35,549	-0.8
2-13	Health	One part-time Public Health Nurse II (0.75 FTE & \$66,309) and one part-time Administrative Support II position (0.25 FTE & \$19,827) are proposed to be eliminated in FY 2013. The duties for these positions will be handled by other personnel in the Prenatal and Case Management activity.	-86,136	-1.3
2-14	T&ES	Reduction in air quality monitoring due to the closing of the GenOn electrical plan.	-15,000	
2-15	T&ES	Transfer of position costs from the General Fund to the Storm Water and Sanitary Sewer funds to reflect the work being performed by staff.	-834,784	
		Subtotal	-1,953,787	-6.5
Goal 3 - Transportation				
3-1	T&ES	Elimination of one Traffic Survey Technician. The savings will be used to fund the addition of one new position to expand the scope of the City's audit function to include performance management and organizational capacity.	-82,692	-1.0
3-2	T&ES	A Transportation Planner position associated with BRAC-133 will be transferred to the new Project Implementation Office to better coordinate large multi-City agency capital projects.	-123,389	-1.0
3-3	T&ES	Charge one T&ES Civil Engineer position to building permit fees to better reflect the duties performed by the position.	-21,998	
3-4	T&ES	Reallocate one Engineering Aide position to the Stormwater Management Fund to better reflect the duties performed by the position.	-55,264	
3-5	T&ES	Elimination of one equipment operator position.	-41,945	-1.0
3-6	Transit	Reduced DASH operating subsidy. Actual service reductions to be determined by the DASH board of directors.	-180,000	
		Subtotal	-505,288	-3.0
Goal 4 - Children, Youth & Families				

4-1	DCHS	Eliminate a part-time Social Worker I responsible for mentoring day care providers on early childhood development.	-37,055	-0.5
4-2	DCHS	Eliminate an Supervisory Administrative Analyst whose responsibilities have been partially decreased as a result of the State assuming responsibility for the Child Care Fee System program. The remaining responsibilities associated with this position can be absorbed by existing staff.	-71,576	-1.0
4-3	DCHS	\$784,407 reduction in Comprehensive Services Act cost (\$346,000 City share) due to the result of decreasing caseload levels and the utilization of preferred community-based treatment programs which are less expensive than residential programs, and which provide better services for most children.	-346,000	
4-4	DCHS	Child Care Day Fee System payments taken over by the State, resulting in the elimination of the 10% local match.	-414,352	
4-5	DCHS	Elimination of the Child Care Local Provider Rate Supplement due to the State's decision to take over the responsibility to pay local providers directly making it is no longer feasible for the City to make a separate payment to day care providers.	-100,000	
4-6	DCHS	3% reduction in the City's annual cooperative agreement with the Campagna Center for out of school time services used to subsidize fees charged to working families with school aged children enrolled in the Campagna Kids program.	-53,871	
4-7	DCHS	Foster parent training reduced to reflect actual expenditures with minimal to no impact on the number of trainings provided to new foster parents.	-67,200	
4-8	DCHS	Local Regulatory Services Match no longer required when the State no longer provides an allocation to the City to fund quality initiatives for child care service providers in FY 2013.	-5,328	
4-9	DCHS	Eliminate the Community Service/New Horizons program administered by the Northern Virginia Urban League which provides prevention services for at-risk youth but no longer provides placement of juvenile offenders referred by the Court Services Unit. Youth in need of services as a result of this program being eliminated could self-refer to other City and community programs.	-104,509	
		Subtotal	-1,199,891	-1.5
Goal 5 - Financial Sustainability				
5-1	City Attorney	Contractual outside legal assistance reduced to reflect prior year actual expenditures.	-130,000	
5-2	CMO	Administrative support position eliminated and funding transferred for one of the new priority project implementation staff positions.	-112,889	-1.0
5-3	Communications	Reduction in printing and postage costs due to increased use of electronic communications and other non-personnel expenditures reduced based on prior year expenditures.	-53,561	

5-4	Finance	Eliminate two positions within the Risk Management Program and reassign responsibility for most risk management activities to other existing staff within Finance.	-220,449	-2.0
5-5	Finance	Transfers one vacant position from the Accounting program to Internal Audit in order to expand the scope of Internal Audit to include performance management and organizational accountability.	-151,608	-1.0
5-6	General Services	A new utility savings policy will be aimed at reducing the amount of energy used in City facilities. Some tactics in the policy include building scheduling and establishing temperature parameters.	-89,000	
5-7	General Services	Implement a pilot program for automating certain City-owned parking facilities.	-33,644	
5-8	General Services	Elimination of one Fleet Services Specialist position.	-68,783	-1.0
5-9	General Services	Elimination of one Fleet Parts Driver position.	-45,203	-1.0
5-10	General Services	One Capital Projects Manager position will be reallocated to appropriate projects in the City's Capital Improvement Plan (CIP.)	-154,498	
5-11	General Services	Elimination of one Capital Projects Manager position.	-104,903	-1.0
5-12	Human Rights	Seasonal employee costs in the ADA Accommodation budget were reduced by \$19,000 to \$11,000 to reflect average actual spending for the past three years with no anticipated service impact for FY 2013. Spending will be revisited during the year if necessary because service is legally mandated and somewhat unpredictable.	-19,000	
5-13	ITS	Eliminates LogRhythm which consolidates the system log reports for the City's network and system monitoring tools into one comprehensive report. This allows ITS to easily identify patterns and troubleshoot underlying issues. As a result of eliminating this program it will likely take ITS longer to identify issues and needs.	-15,500	
5-14	ITS	Eliminates funding for the printing of financial reports. The reports will be available electronically. ITS did coordinate this proposed reduction with the Finance Department.	-10,000	
5-15	ITS	In FY 2009 ITS received funding for a two phase program to encrypt laptop hard drives. The first phase to encrypt laptops has been completed. The second phase to deploy centralized management software is not required due to low demand.	-1,500	
5-16	Real Estate	Eliminates funding for a vacant Real Estate Appraisal Supervisor position. The savings from this reduction will be used to fund a new position to expand the City's internal audit scope to include performance management and organizational accountability.	-75,527	-1.0
5-17	Registrar	Elimination of funding for one primary election. It is not known whether there will be a primary election in FY 2013. Funding has been set aside in fund balance in case there is a primary election.	-55,000	
		Subtotal	-1,341,065	-8.0
Goal 6 - Public Safety				

6-1	Court Service Unit	Instead of using general funds, Comprehensive Services Act (CSA) resources will be used, resulting in some delays in service due to approval process requirements.	-10,841	
6-2	Court Service Unit	Parenting classes held during the day instead of at night to reduce Sheriff's deputy overtime.	-4,472	
6-3	Court Service Unit	Reduction in gang prevention activity supplies such as soccer and youth meeting groups.	-1,000	
6-4	DEC	Personnel savings due to turnover and one position being held vacant for six months.	-118,816	
6-5	DEC	Reduction in Emergency Call Technicians training and certifications. Basic training will still be provided, and certifications will be acquired as the budget will allow.	-62,411	
6-6	Fire	Two vacant non-suppression positions are eliminated to fund a portion of the \$465,000 added in the budget for Fire recruit class costs.	-214,834	-2.0
		Subtotal	-412,374	-2.0
Goal 7 - Caring Community				
7-1	DCHS	Elimination of one-time funding budgeted in FY 2012 for the development of a Youth Master Plan. It is anticipated that the FY 2012 funding will be sufficient to finalize this plan.	-75,000	
7-2	DCHS	Reduction in JobLink transportation availability of assistance to job interviews or places of employment for unemployed persons with no or limited transportation resources.	-15,000	
7-3	DCHS	Elimination of the General Relief Program local match due to the Virginia Department of Social Services elimination of support for unattached children.	-86,525	
7-4	DCHS	Elimination of non-competitive funds provided to Community Lodgings, Inc. Community Lodgings will still be eligible to apply for competitive funds from the City.	-63,250	
7-5	DCHS	Elimination of funds designated for professional services within JobLink's budget. Even with this reduction JobLink will still be able to maintain support for critical employment related functions.	-40,639	
7-6	DCHS	Increased turnover savings in the Eligibility Determination section of DCHS. These positions require a greater degree of customer service skills and knowledge of State programs, which can result in longer than normal recruitment periods to fill vacant positions.	-228,890	
7-7	Historic Alexandria	Elimination of one-time funding provided in FY 2012 for Stages II A & B of the Fort Ward Archaeological Study. The study is still on-going, and additional funding is not included in FY 2013 for future study phases.	-150,000	
7-8	Historic Alexandria	Civil War Susquecentennial reduction in printing and binding (publications). Historic Alexandria staff will continue to pursue private contributions to supplement City funding. A total of \$80,000 in funding remains for FY 2013.	-20,000	
7-9	Library	Library Insurance - Premiums paid to the Virginia Municipal League (VML) decrease based on actual premium amounts provided by VML.	-26,069	

7-10	RPCA	Reduction of 3.0 vacant FTE positions and seasonal employees being held vacant due to the reduction in Library hours in FY 2011. Due to the continued reduced hours in FY 2012, there is no impact to FY 2013 service levels at the main and branch libraries.	-46,001	-3.0
7-11	RPCA	RPCA Swim Team Cost Recovery - RPCA would not pay lifeguards to be on duty during TC Williams High School Swim team practices. ACPS would assume liability for team members.	-4,306	
7-12	RPCA	Eliminate the hand watering of beautification plantings such as those donated plantings in the King Street wells. In FY 2013, plantings will occur only in areas where irrigation currently exist, or where volunteer groups agree to continue the hand watering.	-67,174	
7-13	RPCA	Cultural Alliance Study - The third and final payment of the Arts & Economic Prosperity Study was paid in FY 2012. This study is conducted once every five years so funding can be eliminated in FY 2013.	-900	
7-14	RPCA	Eliminate on-call contract services for graffiti removal. In FY 2013, RPCA staff will perform graffiti removal during normal working hours, with a projected delay in response time from 1-2 days to 5-7 days.	-35,000	
7-15	RPCA	City Birthday Celebration reduction in the entertainment cost for performance fees to the Alexandria Symphony (\$21,000), the stage rental (\$14,000), and eliminating overnight security (\$1,200). Options to replace the Alexandria Symphony include a military band or local performing artist/group. The impact on the reduction of service should be minimal since live entertainment will be provided with entertainment from the military community or local performing artists. Use of the City's new mobile stage will be able to handle the performance groups, and will not require overnight security.	-36,200	
7-16	RPCA	Reduce Fort Ward Weekend On-Duty (Weekends) staff to one seasonal position for park support (trash removal and restroom cleaning) and eliminate staffing for receiving onsite reservations. There will be a nominal service level reduction associated with this expenditure reduction, as in the picnic season, onsite reservations averaged one or less per month.	-22,000	
7-17	RPCA	Close Ewald Pool - located in the West End of the City. The average attendance at this pool is 15 patrons per day. The consistently low attendance including the limited use of the pool for the adult evening swim is why this reduction is recommended.	-22,000	
7-18	RPCA	Urban Forestry - Reduce contract tree maintenance by 70 tree prunings & 40 tree removals.	-72,000	
		Subtotal	-1,010,954	-3.0
		Grand Total	-6,775,767	-24.0

Supplemental Increases

Department	Increase	Amount	FTEs
Internal Audit	Expand the scope of Internal Audit to enhance operational performance and increase organizational accountability with savings from positions eliminated in other departments.	236,257	3.00
Human Resources	Ethics Initiative funding, including a third-party anonymous hotline and awareness training for employees.	25,000	
Economic Development	Increase funding for ACVA destination advertising to increase tourism.	100,000	
DCHS	Homebased senior therapist to provide therapeutic services to youth with serious emotional disorders who are at risk of being placed outside of their home and community.	49,816	1.00
Health	Convert one grant-funded emergency health planner to full-time City funding to maintain program stability and emergency preparedness.	105,000	1.00
RPCA	Additional fee-funded youth class instructors to meet increasing demand.	50,000	
RPCA	Expanded fee-funded youth programming resulting from the completion of the Witter Athletic Complex.	24,556	
Non-Dept	Additional funding for Fire Department recruit class costs.	465,000	
Non-Dept	Create a new Office of Project Implementation staffing for implementation of high priority multi-City agency capital improvements such as those associated with the Waterfront Plan, Potomac Yard and Landmark/Van Dorn with savings from positions eliminated in other departments.	308,967	2.00
Total		1,364,596	7.00