

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 18, 2014
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
THROUGH: RASHAD M. YOUNG, CITY MANAGER 
FROM: NELSIE L. SMITH, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET 
SUBJECT: BUDGET MEMO #25: RESPONSE TO COUNCIL QUESTIONS

The Office of Management & Budget issues Budget Memos to answer questions posed by members of City Council. We prepare the memos in a question and answer format. Below are answers to some of the questions posed thus far.

RECREATION FEES (J. Spengler)

Question: “What specific fee areas can be increased by City Council for the FY 2015 Budget and still be within the cost recovery policy adopted by City Council?”

Response: Since Budget Memo #23 was released, OMB has been working with the Recreation, Parks and Cultural Activities (RPCA) Department to determine specific fee areas that could be increased by City Council for the FY 2015 Budget and still be within the cost recovery policy adopted by City Council. Depending on City Council’s decision, City staff has identified four recreation fees that could be increased and yield an additional \$180,000. The chart below provides a breakdown of the recommended fee changes and the assumptions that were used to develop the figures:

Programs	Tier Level	FY15 Proposed Fee	Fee at top of tier	Incremental Revenue
OSTP School Year	2	\$325	\$415	\$103,400
Youth Basketball	2	\$60	\$75	\$9,300
Tackle Football	2	\$90	\$156	\$9,000
TR- Mainstream	2	\$850	\$2,212	\$58,300

Assumptions

1. Projected fee increases assume the same level of participation at the higher rate.
2. Increases in revenues represent 72% of gross based on the historical fee assistance rate.
3. Participants do not have information on fee increases beyond the FY15 proposal.
4. In some cases, higher fees can result in less overall revenue.

BIKESHARE (J. Chapman)

Question: “Is it possible to halt our order of additional bike stations due to the issue at Bike Share's parent company, and what effect would that have on the proposed budget? If there is money that is now unaccounted for in the TIP, what could it be spent on?”

Response: The City currently has an outstanding order with Alta Bicycle Share for purchase of eight expansion bike share stations. The City of Alexandria reserves the right to cancel the contract or modify the purchase order at any time by providing proper notice to the vendor – Alta Bicycle Share. However, the City would potentially be responsible for whatever materials or costs that have been incurred by the vendor to that point. Due to the nature of this procurement and its contractual obligations, staff would require additional time to review the entire contract and any potential legal implications of canceling, modifying, or making a request for liquated damages with the vendor. Staff has received notification (which has, as of April 16, 2014, been made publicly available through various news outlets) that outstanding legal issues with the manufacturer – Public Bike System Company (PBSC) - have been resolved and that purchase of the company is moving forward. With this new information, staff has also requested additional detail from the vendor as to the status of the outstanding order. While the bankruptcy proceedings and PBSC purchase have delayed procurement, at this time staff is anticipating the purchase of the eight expansion stations to proceed, and is not recommending that any contract cancellation or modification be pursued.

It is important to note that the planned expansion of Capital Bikeshare in Alexandria has been a priority for a number of years – both to City Council and the public. Grant funding has been identified to purchase the required capital infrastructure, and City resources, through the property tax reservation for transportation, have been aligned for delivery of this service. Effort has been made to engage the community in reaching consensus on final station locations, phasing, and implementation schedules of Bikeshare expansion throughout the City. Additionally, and as has been stated previously ([FY 2014 Budget Memo #35](#)), the effectiveness of this program cannot truly be evaluated until a minimum of 25 stations are operational, which is not anticipated until late FY 2015 or FY 2016.

LAW LIBRARY (City Council)

Question: “Can staff please provide alternative funding/service models for the Alexandria Law Library?”

Response: City staff looked at several options for City Council to consider including other fees that may be assessed, grants and other aid, reducing service hours of the library and incorporating its function in some level into the City’s general library system. At this time, there have been no other fees, grants, or other outside sources that the City has identified to provide additional funding to the Law Library. City staff will continue to evaluate potential outside funding sources and

pursue them if appropriate. Furthermore, any reduction in service hours will be decided by the Law Library Board based on the level of funding received in FY 2015.

Staff has also inquired about the possibility of incorporating the Law Library in some manner into the local library system either through absorbing the resources or creating an additional branch. For context, out of the 23 law libraries in Virginia, 14 fall under the oversight of their respective public library system. Eleven of the 23 libraries reported receiving no additional funding outside of the fees described above and donations from their local bar association or other supporting organizations. Most law libraries are currently staffed with one librarian or paraprofessional position.

There is a growing trend of moving information contained in law library resources at public library systems online. While the City's public library system has begun research into some of these suggestions and alternatives, additional time is required to complete the analysis and provide a recommendation to the respective library boards prior to making service adjustments. It is unlikely that simply moving the Law Library into the public library system would result in any savings without eliminating existing positions.

Funding options available to City Council in FY 2015 include restoring either all or partial funding for the Law Library in FY 2015 to allow for further analysis and discussion with the Law Library Board to take place for the FY 2016 budget. Full restoration of funding would cost \$121,287 in FY 2015. Partial funding would reduce operating hours from full time (40 hours) to part time, depending on the final level of funding decided by City Council and the service reductions implemented by the Law Library Board.

FY 2014 VACANT POSITIONS (J. Chapman) – ATTACHMENT I

Question: “Can you make a list of all the positions that remained vacant for the entirety of FY14 and the cost associated with each?”

Response: Attachment I highlights the 70 City positions that have been vacant since July 1, 2013 (or earlier) through March 31, 2014, and the personnel cost (salary + benefits) associated with each. The Estimated Annual Cost of those 70 positions is \$5.3 million.

It should be noted that in the same time period, the City spent nearly \$1.7 million in direct costs related to the vacant positions. These costs are comprised of temporary workers or overtime pay for existing workers in order to provide City services related to the vacant position, plus leave payouts for departing employees.

HR INVESTIGATOR FUNDING (J. Chapman)

Question: “What would be the service level implications if the HR Investigator was converted to a part-time position instead of a full-time position? Also, what would be the impact of not funding the HR investigator position at all? Is there data or examples that can support funding of a full-time position?”

Response: The Human Resources Department (HRD) routinely receives complaints regarding alleged employee misconduct. Over the last three years, the volume of work associated with reports of misconduct has grown. Although some of these complaints could be prioritized to be handled on a part-time basis, one of the single most important aspects of conducting a thorough and effective investigation/administrative inquiry is timeliness. HRD believes that a new full-time investigator position, not part-time, is the best option to address that need effectively.

Not only would the nature of the work be handled in a timelier and likely more effective manner on a full-time basis, but also having one position focused on this complex function would prevent dividing the growing volume of responsibilities between the current Senior Human Resources Analysts. Currently in the area of Employee Relations, Human Resources has recorded 95 disciplinary actions in Fiscal Year 2014 to-date (July 1, 2013 through April 15, 2014), and there are 18 active grievances at various stages of resolution. On a daily basis, HRD receives notification from departments regarding additional potential employee infractions; Senior HR Analysts report receiving approximately 32 requests per month for assistance in handling complaints. This growing workload is too heavy and complicated to expect efficient, effective, and consistent investigations through a part-time employee or diverting resources of existing employee(s).

There are a number of additional potential shortcomings if a part-time employee were to fill this proposed role. Irregular accessibility and sporadic scheduling would hinder the continuity of inquiries. Also, quality and turnover of part-time staff is a constant concern, since full-time work is frequently a more sought-after goal of employees. With turnover comes the inability to process complaints in a timely fashion, increased costs associated with training and on-boarding of new employees, and a loss of institutional knowledge related to City practices and its history of investigations/outcomes.

On a macro basis, City departments are generally ill-equipped to handle the complex levels of alleged employee misconducts being reported. Department HR Liaisons are not trained investigators, and unfortunately in some cases, are not knowledgeable about the actions to take in discipline and subsequent grievance matters. HRD has also had to address issues concerning potential conflicts of interest within departments, as well as confidentiality complaints. Not funding a new investigator position would continue the inconsistent and inefficient process currently in place, including the need to bring in outside investigators/contractors on an ad hoc basis (in FY 2013, approximately \$25,000 was spent on contract

investigators), and periodic reliability on the Office of Human Rights to assign an investigator to handle non-human rights complaints.

So far this fiscal year, the average cost of handling a grievance has ranged between \$15,000 and \$75,000 per grievance depending on the length of the grievance (which includes prep, hearings, post hearing follow-up). This cost is comprised of HR staff, various department staff and City Attorney staff time. Some of the City's more costly grievances over the last 3–5 years, which cannot be publicly identified, have costs ranging between \$100,000–\$250,000.

Overall, not providing for a full-time investigator position would make it difficult to craft a preventative and consistent City-wide approach to inquiries and complaints. In turn, the ability to coordinate with, educate, and train departments' HR representatives in reliable methodologies – all keys to a proactive approach – would suffer.

VETERANS' PROGRAM (J. Chapman)

Question: “What are the details of the Veterans' Program that AEDP proposed?”

Response: In FY 2014, the Alexandria Economic Development Partnership (AEDP) /Small Business Development Center (SBDC) began a Veterans' business program called the Alexandria Veterans Enterprise Center (AVBEC). The program is designed to provide help, counseling, and support for military veterans seeking to start their own businesses, grow existing businesses and find employment at Alexandria businesses. The program is intended to differentiate Alexandria from other jurisdictions and help in efforts to decrease office vacancy and generate new jobs in the City, two of Alexandria's strategic priorities.

In FY 2015, AEDP/SBDC made a one-time request for \$162,634. The request was intended to provide a City match and/or seed funding to secure funds from state, federal, and private funders. The funding would enable AEDP/SBDC and AVBEC to create and implement a business incubator which would include co-working space and meeting and training room facilities. The incubator would be built-out in a vacant office suite located adjacent to the AEDP/SBDC/ADVA facilities at 625 North Washington Street. The business plan for the AVBEC shows income from business users and private support as the main revenue sources for FY 16 and beyond.

The total AEDP/SBDC funding request considered by the Livable, Green and Prospering City focus area team was an increase of approximately \$360,000 from FY 2014, including the \$162,634 veterans' grant match. The request included a new position to manage increased activity, personnel increases associated with existing staff, non-personnel operating costs, rent escalation, and an every-other-year NAIOP bus tour marketing mission. The Proposed Budget includes a \$70,000 increase over the FY2014 funding level.

ATTACHMENT I

Department	Vacant Position	Fund	Date Created or Vacated	FTE %	Salary	Benefits	Est. Annual Cost	Status
City Clerk	Admin Support V	General	6/23/2012	100%	41,150	17,283	58,434	Position is eliminated in FY15 Proposed Budget
Code	New Construction Manager	Special Rev	6/25/2012	100%	77,584	32,585	110,170	Interviewing applicants
Code	Assist Director	Special Rev	7/1/2013	100%	85,558	35,935	121,493	New position; applications solicited
Commonwealth Atty	Law Clerk	General	4/23/2010	50%	22,695	3,631	26,326	Approved to Fill / Have not initiated the process
Commonwealth Atty	Law Clerk	General	4/22/2011	50%	22,695	3,631	26,326	Approved to Fill / Have not initiated the process
Court Services	Probation Officer	General	6/28/2013	100%	55,163	23,169	78,332	Position is eliminated in FY15 Proposed Budget
DCHS	Outreach Prev. Specialist	Grant	7/1/2013	100%	51,053	21,442	72,496	Not approved to fill at this time
DCHS	Residential Counselor - SH	Grant	10/18/2012	100%	48,030	20,172	68,202	Not approved to fill at this time
DCHS	Registered Nurse	Grant	3/15/2013	50%	41,396	6,623	48,019	Offer extended
DCHS	Health & Community Ed. Spec.	General	6/19/2013	100%	52,541	22,067	74,608	Position is eliminated in FY15 Proposed Budget
DCHS	Account Clerk III	Grant	7/1/2013	100%	39,505	16,592	56,097	Offer extended
DCHS	Custodian	Grant	7/1/2013	50%	13,736	2,198	15,934	Not approved to fill at this time
DCHS	Custodian	Grant	7/1/2013	45%	12,363	1,978	14,341	Not approved to fill at this time
DCHS	Supervisory Program Analyst	General	7/1/2013	100%	85,532	35,923	121,455	Approved to Fill / Have not initiated the process
DCHS	Case Worker	Grant	6/6/2013	100%	47,659	20,017	67,676	Approved to Fill / Have not initiated the process
Finance	Computer Programmer Analyst I	General	11/16/2010	100%	55,163	23,169	78,332	Not approved to fill at this time
Finance	Purchasing Agent	General	3/15/2012	100%	118,753	49,876	168,630	Not approved to fill at this time
Finance	Clerk I	General	1/1/2007	50%	13,736	2,198	15,934	Not approved to fill at this time
Finance	Retirement Specialist	Special Rev	7/1/2012	100%	55,163	23,169	78,332	Applications solicited
Finance	Revenue Analyst II	General	3/30/2013	100%	43,229	18,156	61,385	Approved to Fill / Have not initiated the process
Finance	Revenue Analyst III	General	9/1/2012	100%	47,657	20,016	67,674	Not approved to fill at this time
Finance	Accountant I	General	5/30/2013	100%	45,383	19,061	64,444	Offer extended
Finance	Accountant II	General	6/13/2013	100%	55,163	23,169	78,332	Interviewing applicants
Finance	Account Clerk II	General	5/7/2013	75%	23,425	3,748	27,173	Position is eliminated in FY15 Proposed Budget
Fire	Firefighter	General	2/28/2013	100%	47,612	24,758	72,370	Position is eliminated in FY15 Proposed Budget
Fire	Firefighter	General	2/21/2013	100%	47,612	24,758	72,370	Position is eliminated in FY15 Proposed Budget
Fire	Firefighter	General	4/1/2013	100%	47,612	24,758	72,370	Position is eliminated in FY15 Proposed Budget
Fire	Firefighter	General	6/1/2013	100%	47,612	24,758	72,370	Position is eliminated in FY15 Proposed Budget
Fire	Medic II	General	4/14/2013	100%	47,612	24,758	72,370	Approved to Fill / Have not initiated the process
Fire	Medic II	General	5/10/2013	100%	47,612	24,758	72,370	Approved to Fill / Have not initiated the process
Fire	Medic II	General	6/7/2013	100%	47,612	24,758	72,370	Approved to Fill / Have not initiated the process
Fire	Community Education Spec.	General	3/1/2013	100%	66,808	34,740	101,548	Applications solicited
Housing	Housing Program Specialist	Special Rev & GF	2/21/2013	100%	57,920	24,326	82,246	Applications solicited
ITS	Computer/Programmer Analyst	General	8/8/2009	100%	67,049	28,160	95,209	Not approved to fill at this time
ITS	Information Security Manager	CIP/General	4/9/2011	100%	108,081	45,394	153,475	Approved to Fill / Have not initiated the process
Library	Library Asst I	General	6/23/2012	50%	15,617	2,499	18,116	Approved to Fill / Have not initiated the process
Library	Library Assistant II	General	5/24/2012	50%	16,345	2,615	18,960	Approved to Fill / Have not initiated the process
Library	Library Asst I	General	8/11/2012	50%	15,617	2,499	18,116	Approved to Fill / Have not initiated the process
OHA	Museum Aide I - GTM	Donations	6/23/2013	25%	7,808	1,249	9,058	Not approved to fill at this time

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Department	Vacant Position	Fund	Date Created or Vacated	FTE %	Salary	Benefits	Est. Annual Cost	Status
OHA	City Archaeologist	General	6/23/2013	100%	70,395	29,566	99,961	Approved to Fill / Have not initiated the process
OHA	Museum Director - ABHM	General	6/23/2013	100%	60,815	25,542	86,357	Not approved to fill at this time
OHA	Recept./ Phone Op.- FFH	General	6/23/2013	22%	6,002	960	6,962	Not approved to fill at this time
OMB	Assistant Director	General	6/25/2013	100%	110,922	46,587	157,509	Awaiting reclassification
OMB	Management Analyst I	General	10/1/2012	100%	54,379	22,839	77,218	Applications solicited
Police	Family Services Specialist I	General	5/24/2013	100%	63,788	33,170	96,958	Position is eliminated in FY15 Proposed Budget
Police	PEO I	General	7/1/2013	100%	41,133	21,389	62,522	Interviewing applicants
Police	PEO I	General	7/1/2013	100%	41,133	21,389	62,522	Interviewing applicants
Police	Records Clerk	General	5/17/2013	100%	39,170	20,369	59,539	Position is eliminated in FY15 Proposed Budget
Police	Custodian	General	5/22/2013	100%	30,926	16,081	47,007	Position is eliminated in FY15 Proposed Budget
Police	Crossing Guard	General	11/27/2012	33%	11,721	1,875	13,596	Applications solicited
Project Implementation	Deputy Director, DPI	General	7/1/2013	100%	137,099	57,582	194,681	Interviewing applicants
Real Estate	CAMA Specialist	General	7/1/2012	100%	96,466	40,516	136,982	Approved to Fill / Have not initiated the process
Real Estate	Director	General	9/1/2012	100%	151,150	63,483	214,632	Position is eliminated in FY15 Proposed Budget
Real Estate	Appraiser	General	7/1/2013	100%	47,652	20,014	67,667	Applications solicited
RPCA	Recreation Manager I	General	4/30/2013	100%	62,948	26,438	89,385	CMO/OMB Approval Pending
RPCA	Park Manager	General	6/12/2013	100%	54,379	22,839	77,218	Applications solicited
RPCA	Recreation Manager I	General	3/25/2013	100%	62,948	26,438	89,385	Interviewing applicants
RPCA	Administrative Support IV	General	3/20/2013	100%	35,832	15,049	50,881	Position is eliminated in FY15 Proposed Budget
RPCA	Recreation Leader II	General	10/14/2011	100%	37,303	15,667	52,970	Approved to Fill / Have not initiated the process
Sheriff	Deputy Sheriff Chief	General	6/1/2013	100%	132,259	63,485	195,744	Position is eliminated in FY15 Proposed Budget
T&ES	Civil Engineer III	General	10/9/2012	100%	72,860	30,601	103,462	Not approved to fill at this time
T&ES	Assistant Superintendent	General	12/7/2012	100%	63,303	26,587	89,890	Offer extended
T&ES	Refuse Collector	General	4/30/2013	100%	31,874	13,387	45,261	Offer extended
T&ES	Traffic Operations Div. Chief	General	3/29/2013	100%	86,928	36,510	123,437	Offer extended
T&ES	Urban Planner II	General	7/1/2013	100%	55,163	23,169	78,332	Applications solicited
T&ES	Equipment Operator II	General	6/28/2013	100%	50,365	21,153	71,519	Offer extended
T&ES	Equipment Operator II	General	7/1/2013	100%	34,329	14,418	48,747	Applications solicited
T&ES	Equipment Operator II	General	7/1/2013	50%	17,164	2,746	19,911	Applications solicited
T&ES	Civil Engineer III	General	7/1/2013	100%	63,851	26,818	90,669	Offer extended
T&ES	Civil Engineer I	General	7/1/2013	100%	50,037	21,015	71,052	Not approved to fill at this time
TOTALS	70				3,717,156	1,568,282	5,285,438	

Note: The above vacancies represent those positions that have been vacant from July 1, 2013 (or earlier) through March 31, 2014.