

# City of Alexandria, Virginia

## MEMORANDUM

**DATE:** APRIL 27, 2015

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

**THROUGH:** MARK B. JINKS, CITY MANAGER

**FROM:** MORGAN ROUTT, ACTING DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET *NR*

**SUBJECT:** BUDGET MEMO #31: RESPONSE TO COUNCIL QUESTIONS

The Office of Management & Budget issues a Budget Memo to answer questions posed by members of City Council that can be addressed in a question and answer format. Below are answers to some of the questions posed thus far.

### NONDEPARTMENTAL INSURANCE COSTS ( W. Euille)

**Question:** What is the breakdown of the Non-Departmental insurance costs presented in the Accountable, Effective and Well-Managed Government budget work session?

**Answer:** The chart below further breaks down the liability; property; worker's compensation; and retiree health and life insurance costs presented on slide 13 of the Accountable work-session presentation on April 21, 2015.

<b>Liability/Property/Worker's Comp.</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Approved</b>	<b>FY 2016 Proposed</b>
<i>Unemployment Compensation</i>	134,756	160,000	200,000
<i>Labor Relations</i>	33,937	3,500	15,000
<i>Insurance Broker</i>	60,000	60,000	60,000
<i>Group Health Retired Employees</i>	2,362,030	2,456,385	2,532,763
<i>Life Insurance Retired Employees</i>	269,687	264,598	353,846
<i>Claims Against the City</i>	112,231	100,000	150,000
<i>Volunteer Fire Coverage</i>	27,359	27,384	25,000
<i>Liability Property Insurance</i>	588,982	588,856	600,000
<i>Fire &amp; Extended Coverage</i>	69,426	18,828	76,000
<i>Worker's Compensation</i>	526,685	634,177	560,397
<i>Bonds and Errors/Omissions</i>	15,045	15,500	15,500
<i>Professional Liability</i>	91,058	89,951	97,000
<i>General Liability</i>	807,656	471,000	550,000
<i>Claims Adjusting Services</i>	105,245	115,000	115,000
<b>Total</b>	<b>5,204,097</b>	<b>5,005,179</b>	<b>5,350,506</b>

## EMPLOYEE RETAINMENT (W. Euille)

**Question: What are other benefit techniques that other jurisdictions are using to attract/retain (e.g. dry cleaning uniforms)?**

**Answer:** In response to the Mayor's request for information regarding benefit offerings in comparator jurisdictions that are designed to attract and retain employees, the Human Resources Department (HRD) has conducted a review of the benefits offered by comparator jurisdictions and determined that the benefits offered by the City are generally comparable to the five comparator counties of Arlington, Fairfax, Prince William, Prince George's and Montgomery.

All comparator jurisdictions, including Alexandria, offer standard benefits such as health, dental, vision, employee assistance programs, flexible spending accounts, life insurance, and retirement plans. A table at the end of this memo provides a list of benefits and details about offerings in Alexandria and other jurisdictions.

When comparing annual and sick leave, differences were noted in the amount of leave offered; however the variance was no more than one day. The City's Sick Leave Bank was less generous than some jurisdictions and more than others. For example, Fairfax County offers 90 days of leave in the program whereas the City offers 20. Finally, some jurisdictions offer paid time off to allow employees to participate in volunteer programs. This is only done on a very limited basis in Alexandria.

All comparator jurisdictions offer a tuition reimbursement program as part of their employee development programs. The amount offered for tuition reimbursement varied. Based on what was reported by comparator jurisdictions, the City's reimbursement of \$1,500 per year was less than the \$1,600 and \$1,800 offered by Arlington and Montgomery respectively. Alexandria employees may also take advantage of the numerous training courses paid for by the City through the Professional Development Program.

Commuter benefits and flexible work hours are also common benefits across our region. Arlington County provides a transit subsidy of \$130 per month and Fairfax County provides a transit subsidy of \$120 per month. The Proposed FY 2016 Budget includes funding to increase the City's transit subsidy from \$100 to \$120 per month. Most jurisdictions were either studying or testing a flexible work schedule that include elements such as job sharing, compressed work schedules and telecommuting. Alexandria employees may participate in a telework program and many departments allow employees to work flexible schedules. While this is aligned with our comparators, \$55,000 has been included in the Proposed FY 2016 budget to study telework to determine how the City could implement a more robust program that offers greater flexibility to employees and corresponds with efforts to enhance office space standards within City facilities.

Regarding benefits such as discounted day care, college savings, and long term care insurance, no one jurisdiction offered all of these additional benefits and no more than one jurisdiction offered any of them. With the exception of Montgomery County, Alexandria is the only jurisdiction among the comparitors that offers employees the use of City recreational facilities free of charge. The City also provides discounted rates for family members of employees who use City recreation facilities and programs.

Finally, it is common for jurisdictions to pay for uniforms or offer clothing allowances. In Alexandria, the City covers the cost to rent or purchase uniforms for employees in positions that require a uniform. Depending on the department, in some situations the City also pays for the cleaning and maintenance of uniforms. In the Police Department employees can request approval of a clothing allowance if there is a demonstrated, long-term need for non-uniform attire (e.g., when working in the Investigations Bureau). The City offers \$323 per quarter to qualified employees.

Overall the additional fringe benefits provided by the City are comparable with the five comparator jurisdictions. Staff will continue to monitor the fringe benefits offered by comparator jurisdictions and will work various employee work groups to determine if changes to these benefits are needed in order to maintain our competitiveness in the regional labor market.

Selected Fringe Benefit Offerings							
	Wellness Program	Commuter Benefits	Telework/Flexible Work Schedule	Child Care	Fitness/Sport Centers	Tuition Assistance	Uniform Allowance
City of Alexandria	Yes	\$100 a month for public transit (proposed to increase to \$120 in FY 16)	Telework allowed if approved by Department Head. Flex schedules vary based on needs of dept and City (no formal policy in place)	Not offered	Employees can use the recreation centers at no cost; pay for programs	Maximum offered is \$1,500 per year	Required uniforms are provided by the City, or a clothing allowance authorized (on a limited basis); in some cases the City also pays for cleaning and maintenance.
Arlington County	Yes	\$120 a month for public transit; \$35 subsidy for Bikes	Telework/Flexible schedules allowed but vary by department and position	Off-site daycare discounts provided	50% discount at community fitness centers and pools. Resident rate for programs	Maximum offered is \$1,600 per year	No information listed by jurisdiction
Fairfax County	Yes	\$120 a month for public transit	Yes	On-site daycare available at discounted rates	Membership discounts offered	Offered (reimbursement amount not available)	No information listed by jurisdiction
Montgomery County	Yes	Not offered	Telework program being created with availability, job selection criteria, and implementation procedures being considered	Not offered	Depends on bargaining unit. Public Safety use free of charge. Others get a discounted rate of 50%	Maximum offered is \$1,800	Clothing allowance provided for public safety employees
Prince George County	Yes	Not offered	No information listed by jurisdiction	Off-site daycare discounts	Working on collaboration with fitness centers. No discount offered at this time.	Not offered	Clothing allowance provided for public safety employees
Prince William County	Yes	Not offered	Telework/Flexible schedules allowed but vary by department and position	Not offered	On site; 20% discount	Varies by department	No Information listed by jurisdiction