

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 27, 2015

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: MARK B. JINKS, ACTING CITY MANAGER

FROM: NELSIE L. BIRCH, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET 

SUBJECT: BUDGET MEMO #09: BUDGET DEVELOPMENT – EFFICIENCIES INCLUDED IN THE FY 2016 PROPOSED BUDGET

This memorandum responds to Councilwoman Pepper's question regarding efficiency savings included in the FY 2016 Proposed Budget. During the budget process, City departments reviewed their FY 2015 budgets and prior year expenditures to identify possible efficiencies and resulting savings that could be programmed into the FY 2016 Proposed Budget. The total General Fund amount saved from these efficiencies is estimated to be \$3.5 million.

The attached list provides a breakdown of the department and program of each identified efficiency in the budget, including the dollar amount and FTE impact. The descriptions also include a short impact statement for each item. Some of these items are duplicative of reduction items included in the FY 2016 Proposed Budget contained in Budget Memo #1.

ATTACHMENTS:

Attachment 1 – Efficiencies included in the FY 2016 Proposed Budget

FY 2016 City Service Efficiencies

Department	Program	City Service Efficiency	FTE Impact	General Fund Cost	Non-General Fund Cost	FY 2016 Cost
City Manager's Office	Organizational Leadership & Management Program	Reduction of 1 Deputy City Manager. This is an efficiency because a similar level of leadership support is provided to City Departments using three DCM's rather than four.	-1.00	(\$232,466)	\$0	(\$232,466)
Department of General Services	Vehicle Operations & Maintenance Program	Reduction in fuel budget based on updated market pricing. There is no service impact.	0.00	(\$131,894)	\$0	(\$131,894)
Department of General Services	Energy Management	Reduction in utilities budget based upon new contact terms. No change in service level.	0.00	(\$69,701)	\$0	(\$69,701)
Department of General Services	External Services	Reduction in the City's parking management contract as a result of the full automation of the Union Street Garage planned in the context of the FY 2016 project, "Old Town Parking Garage Ticketing Modernization and Upgrades," which replaces parking equipment and automates parking garages.	0.00	(\$113,000)	\$0	(\$113,000)
Department of General Services	Facilities Management	Eliminate City Architect position. This reduction is in line with demand, as workload can be completed by existing staff.	-1.00	(\$122,628)	\$0	(\$122,628)
Human Resources	Total Compensation Program	Reduce funding of the Wellness Program from \$84,000 to \$32,000. No service impact due to new carriers RFP submissions include a wellness component.		(\$52,000)	\$0	(\$52,000)
Voter Registration & Elections	Voter Registration & Elections	Reduced Funding for Voter ID Outreach. Last year the department received additional funding to help with start-up expenses related to the implementation of Virginia's new Photo ID law. Photo ID outreach efforts have now become part of the department's regular voter information and outreach campaign so the reduced funding should have minimal impact on efforts to educate voters about photo ID requirements.	0.00	(\$20,000)	\$0	(\$20,000)
Department of Community and Human Services	Comprehensive Services Act Program	Reflects actual program experience due to maintaining children in less-costly community-based care.	0.00	(\$431,000)	(\$431,000)	(\$862,000)
Health Department	Leadership & Management Support Services	Reduce operating costs related to building maintenance, photocopying, office supplies and conference rental.	0.00	(\$20,012)	\$0	(\$20,012)
Economic Development	ACVA and Small Business Development Center	Addition of one position to be split between ACVA and the Small Business Development Center to improve performance within existing resources by reducing professional services to fund it.	0.00	(\$5,000)	\$0	(\$5,000)
Office of Historic Alexandria	Historic Resources Program	Elimination of FT Rental Coordinator Position (filled). No decrease in level of service as existing staff will assume the responsibilities of this position.	-1.00	(\$72,089)	\$0	(\$72,089)
Transportation & Environmental Services	Resource Recovery & Street Cleaning Program	Eliminate the purchase of one new large trash truck by consolidating routes and creating a refuse plan that maximizes labor hours and route optimization. Service delivery will not be negatively impacted. Savings on fuel, maintenance, and depreciation are also included.	0.00	(\$301,831)	\$0	(\$301,831)
Transportation & Environmental Services	Resource Recovery & Street Cleaning Program	Elimination of one vacant Refuse Driver position, based on internal restructure and route optimization and efficiency. Service delivery will not be negatively impacted.	-1.00	(\$53,387)	\$0	(\$53,387)
Transportation & Environmental Services	Resource Recovery & Street Cleaning Program	Elimination of one vacant Refuse Driver position, based on internal restructure and route optimization and efficiency. Service delivery will not be negatively impacted.	-1.00	(\$56,908)	\$0	(\$56,908)
Transportation & Environmental Services	Street, Sidewalk & Sewer Maintenance Program	Reduce contractor use for smaller paving projects. This is an efficiency, due to more efficient preventative maintenance and increased investment in the CIP for road resurfacing, and will not impact services.	0.00	(\$404,207)	\$0	(\$404,207)

FY 2016 City Service Efficiencies

Department	Program	City Service Efficiency	FTE Impact	General Fund Cost	Non-General Fund Cost	FY 2016 Cost
Transportation & Environmental Services	Street, Sidewalk & Sewer Maintenance Program	Eliminate contractor use for catch basin cleaning. This is an efficiency, due to increased personnel and equipment for stormwater maintenance in prior fiscal years, and will not impact services.	0.00	(\$109,837)	\$0	(\$109,837)
Other Public Safety	Northern Virginia Juvenile Detention Center (NVJDC)	Reduce the City's contribution to the Northern Virginia Juvenile Detention Center. This adjustment is a one-time reduction that is a result of a re-negotiated agreement with the Center that uses prior year fund balances to offset participating jurisdictions' contributions in FY 2016. It is expected that the contribution will increase by at least \$800,000 in FY 2017. The revised agreement should be in place by the start of FY 2016.	0.00	(\$1,024,592)	\$0	(\$1,024,592)
RPCA	Park Operations	Eliminate a Custodial Supervisor position due to the reallocation of all Custodial functions to the Park Operations program. No service impact expected because centralization of custodial work will standardize procedures and require less oversight.	-1.00	(\$51,143)	\$0	(\$51,143)
RPCA	Park Operations	Reduce funding for equipment maintenance. As a result of more maintenance work being contracted out over recent years, City equipment needed for maintenance is used less and thus does not need as much repair or upkeep. No service impact.	0.00	(\$30,804)	\$0	(\$30,804)
Department of Emergency Communications	Operations	Contractual savings from a review of all the Subscriber fees being charged to City departments for Radio services. This review allowed DEC to reduce the amount of subscriber fees by reducing the number of radio components DEC uses. There is no operational change or service impact expected.	0.00	(\$40,000)	\$0	(\$40,000)
Department of Emergency Communications	Operations	Reduction of overtime resources to track with projected lower expenditures resulting from more efficient operational processes, utilization of cross trained personnel in multiple 911 disciplines, and lower turnover.	0.00	(\$200,000)	\$0	(\$200,000)