

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 28, 2005

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: BUDGET MEMO #11 : EXPENDITURE REDUCTION OPTIONS THAT ARE NOT RECOMMENDED

At the March 8, 2005 Budget Work Session, City Council members asked that staff provide them information on those City department expenditure reduction options that were not recommended in the FY 2006 proposed budget.

Overall, the total proposed savings and reductions in the proposed budget is \$1,217,833, or about 0.5 percent of the City department's operating budgets in total. The departments were asked to provide options to reduce their budgets by one percent.¹ However, not all those options were recommended in the proposed budget. (Please refer to the FY 2006 budget document Section 1, Supplemental Information, page 20-21 for a detailed listing of the total of expenditure reductions by department. In the detailed discussion of each department's budget are located specific descriptions of those expenditure reductions that are recommended.)

The following is a list of the most significant departmental budget options not recommended in the proposed budget.

- **Police** - proposed an option to reduce \$245,500 in the parking enforcement activity by eliminating five Parking Enforcement Officer I positions, including uniforms and two small sedans. The proposed budget did not recommend this reduction because parking enforcement and the revenues it earns were deemed of high importance to the City. The budget, however, did recommend \$50,000 savings in the Gridlock Reduction Intervention Program (GRIP) by shifting to the use of overtime in lieu of filling vacant parking enforcement positions.

¹It should be noted that many departments had their budgets reduced due to increased vacancy savings. In most instances these were not included in the count of expenditure reductions because these savings were considered to be an adjustment to the base budget necessary to maintain current services. These vacancy savings totaled \$4.0 million and were approximately \$800,000 more than vacancy savings taken in the FY 2005 budget. These increased vacancy savings reduce a department's flexibility to handle shortfalls in the non-personnel budget that might arise due to unforeseen circumstances. In recognition of this fact, those departments with an increase in vacancy savings had their expenditure reduction targets of 1 percent reduced by these increased savings up to a maximum of \$25,000.

- **Fire** - proposed an option to reduce \$52,659 in Emergency Medical Services (EMS) operating and medical supplies, and \$5,347 in Fire Marshal Overtime. The proposed budget did not recommend these reductions because EMS supplies are important to life saving efforts and no evidence was given that these supplies would not be needed. Fire Marshal overtime was not reduced because it was judged to improve customer service in fire prevention permit inspections.
- **Sheriff** – proposed options to reduce \$45,231 in various line items in Support Services and Administration Divisions. The proposed budget did not recommend these options because doing so would not present a reasonable estimate of departmental costs for such things as telecommunications, operating supplies, and the cost of housekeeping and janitorial services at the jail.
- **T & ES** – proposed as options the elimination of the free tree mulch program (\$35,400), and a prorated reduction in overtime costs across the Maintenance, Construction and Inspection, and the Solid Waste Divisions in the amount of \$194,785. The proposed budget does not recommend the elimination of the mulch program, but it does recommend an increase in the delivery fees to be charged (adding \$3,500 in offsetting fee revenue). More modest reductions in T&ES overtime costs were assumed totaling \$50,818, until the Department can develop a specific plan to reduce overtime by scheduling adjustments and a redefinition of duties to be performed during overtime shifts.
- **MH/MR/SA** - proposed as options the elimination of the Quality Improvement Division Director position (-\$50,187); the elimination of a 0.75 FTE substance abuse Therapist III position (\$49,512); and a reduction of a City-funded substance abuse residential treatment (\$18,675). The proposed budget instead assumes the downgrading of the Division Director position to a Records/Compliance Manager (saving \$24,299 instead). The part-time substance abuse therapist position was considered crucial to provide services to 250 juvenile and adult offenders. The proposed budget also recommends that the current budget for residential treatment of substance abusers not be reduced because it is already insufficient to meet FY 2005 demand.
- **Recreation** - proposed as options the reduction of \$35,986 in overtime and seasonal staffing at various City parks. The proposed budget did not recommend these reductions because the maintenance and enhancement of City parks is a strategic goal of our City and significant vacancy savings were already assumed in the budget that otherwise would be necessary to fund required overtime and seasonal staff.
- **General Services** - proposed as options a reduction the Audio/Visual Operations budget in the amount of \$6,500, and the elimination of a copier on the 3rd floor of City Hall for \$5,326. The proposed budget did not recommend the reduction for audio visual operations to be derived by using 3rd party contractors for City Council meetings. It was judged that the use of City staff on overtime was more reliable way to provide these services. The copier to be eliminated was deemed essential after further review.

- **Finance** - proposed an option to eliminate a Clerk I position (\$18,603) providing manual filing support. On further examination, it was judged that this position should be reallocated to support the growing eCheck program.
- **Library** – proposed an option leaving vacant a Library Assistant I position in the Technical Service Division (\$40,468). The proposed budget includes the elimination of this position; however, it uses \$25,000 of these funds to help the Library absorb some of the cost of an additional librarian at Beatley Library, and the position would be permanently reassigned.