

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 18, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO #109: EXPENDITURE REDUCTION AND REVENUE INCREASE OPTIONS NOT INCLUDED IN THE PROPOSED BUDGET

City departments proposed expenditure reduction options and fee increases as part of their initial budget submissions in October 2007. At last November's City Council retreat, Council set the guidance for the FY 2009 budget. Immediately following, the City Manager instructed departments to submit expenditure reduction or revenue increase options equaling at least 2% of their General Fund budget. The City Manager's Office evaluated these options and included \$4.7 million of expenditure reductions in the proposed budget (p. 2-9) and \$2.7 million in fee increases (p. 7-3). Another \$1.8 million of expenditure reduction options and \$0.8 million in future fee increases proposed by the departments in order to meet the requirement to identify reductions totaling 2% of their General Fund budget were considered but not recommended by the City Manager. These reduction options were rejected as they represent in general the elimination of services or support elements that were deemed important to continue. In some cases alternative reductions were identified and recommended. The list of those additional expenditure reduction and revenue increase options recommended in the proposed budget are attached.

FY 2009 ADDITIONAL REVENUE & EXPENDITURE REDUCTION OPTIONS

Department	Expenditure Reduction/Revenue Increase	Expenditure Reduction	Revenue Increase
Commonwealth's Attorney	Parking adjudication - Eliminate the Parking Adjudication Office	148,081	
Voter Registration	Election officers - Reduce the number of elections officers by 166	16,600	
Citizen Assistance	Council Meeting closed captioning - Eliminate closed captioning from City Council meetings broadcasts or reduce legal services for cable franchise negotiations	14,056	
Finance	Pension actuarials - Discontinue using external vendors for pension plan actuarials	54,000	
	Purchase cards - Reduce transaction costs by requiring City employees to use purchase cards for items less than \$100	2,000	
	Elderly tax relief - Require at least a portion of elderly tax relief to be deferred instead of exempted		40,000
	Garnishment fees - Charge a fee of \$5 to \$10 for garnishments (eg. Child support, tax liens, student loans)		14,000
Human Rights	Summer intern - Reduce hours for summer interns to assist with complaint resolution and report preparation	4,000	
	Investigator - Fund 50% of the full-time investigator from EEOC funds	9,542	
	Mediation - Charge a fee for cases mediated collaboratively with Prince William County		7,000
ITS	Books and publications - Reduce funding by another \$5,000 (in addition to the \$5,000 reduction included in the proposed budget)	5,000	
	Training - Reduce the staff training budget	30,000	
	Small hardware and software purchases - Reduce funding for purchasing data processing equipment with a value of less than \$1,000	10,000	
	Lotus Notes contract support - Reduce the level of Lotus Notes support and maintenance	25,000	
	Software problem resolutions - Reduce the level of software support from Microsoft	5,000	
	Vulnerability assessment - Forgo the annual independent assessment of network security and vulnerability	18,000	
Internal Audit	Audits - Reduce funding for contracted audits	4,716	
Office on Women	SARA outreach prevention specialist - Reduce from full-time to part-time (0.25 FTE reduction)	21,000	
	Additional professional services - Reduce funding for sexual assault and incest therapy	7,856	

Department	Expenditure Reduction/Revenue Increase	Expenditure Reduction	Revenue Increase
Personnel	Employee health fair - Discontinue annual employee health fair	15,000	
	Outsourced employee training - Reduce or eliminate discretionary employee training courses	25,000	
	Employee tuition assistance - Reduce the maximum amount an employee can be reimbursed in one fiscal year from \$2,600 to \$1,800	38,000	
	Employee service awards - Reduce the cost of recognizing and rewarding employees based on length of service	36,865	
	Vacancy savings - Increase the estimated budget savings from position vacancies	15,000	
Real Estate	Appeals filing fee - Implement a fee for filing real estate assessment appeals		21,875
Fire	Special operations team medic support - Discontinue medic support of the Police Department's Special Operations Team	29,225	
	Special events - Discontinue Fire Department support of special events and festivals not covered by fee revenue	37,000	
Code Enforcement	Permit fees - Increase the training levy on permits to 0.75%		10,000
	Permit fees - Increases permit fee rates		90,500
Police	School crossing guards - Eliminate crossing guards at schools (5.4 FTE)	252,236	
	Parking meter fines - Increase the fine for parking meter violations from \$25 to \$35		141,000
Human Services	Senior taxi - Eliminate senior taxi reservation service provided by Senior Services of Alexandria	80,000	
	In-house psychologist - Eliminate the in-house position and purchase external psychological assessment services instead (1.0 FTE)	73,939	
	Non-mandated family services - Reduce at-risk child abuse and neglect prevention and early intervention (2.0 FTE)	143,698	
	Fund for human services - 2% across the board reduction in available grant funding	46,498	
MH/MR/SA	INOVA referral - Eliminate the \$200 per case paid to Inova Mt. Vernon Hospital for CSB Temporary Detention Order (TDO) referrals	96,000	
	Consumer peer counseling - Eliminate one part-time position targeted to be filled by a consumer (0.5 FTE)	16,320	
Health	Nurse practitioner - Keep the vacant part-time nurse practitioner position at the Adolescent Health Clinic unfilled in FY09	32,984	

Department	Expenditure Reduction/Revenue Increase	Expenditure Reduction	Revenue Increase
	Senior denture program - Reduce program expenditures	5,000	
Housing	Dedicated tax revenue - Reduce tax revenue dedicated for housing debt service	77,026	
	Housing opportunity fund - Reduce the voluntary General Fund contribution by an additional \$100,000 (the proposed budget includes an initial \$100,000 reduction and recommended to be restored in the City Manager's alternative budget options)	100,000	
Planning and Zoning	CDD concept plan fees - Increase revenues beyond the \$42,160 included in the proposed budget		28,201
Library	Barrett Sunday hours - Close Barrett Library on Sundays	18,500	
	Security - Eliminate the use of private security guards	105,121	
RPCA	Re-organization - Re-organize RPCA staff (0.5 FTE) ¹	63,000	
	Park planting - Reduce non-waterfront park flower plantings	45,335	
	City site planting - Reduce plantings at City government facilities	35,950	
	Field lining - Discontinue paying the Alexandria Soccer Association to line fields	5,000	
	Right of way mowing - Reduce the schedule from 14 dayst to 30 days	30,000	
	Out of school time program fees - Initiate a \$25 registration fee for after-school and summer programs		51,000
	Youth sports registration - Increase the fee from \$25 to \$30		4,600
	Non-city sponsored athletic programs - Initiate a fee of \$5 per user for use of City facilities by non-City sponsored leagues and programs		15,000
	Vendor fees - Increase from \$125 to \$150		2,050
T&ES	Water quality impact fee - Create a fee for site plans that require water quality impact assessments		1,000
	Leaf collection - Increase the residential refuse collection fee to include the cost of leaf collection (currently funded by the General Fund)		374,652
	Totals	1,797,548	800,878

1/ Decision awaiting RPCA Efficiency and Best Practices Study Results