


City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 15, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: CONSIDERATION OF THE ALEXANDRIA COMMUNITY SERVICES BOARD'S AMENDED FY 2010 PLAN OF SERVICES, WHICH INCLUDES THE FY 2010 PERFORMANCE CONTRACT WITH THE STATE

**ISSUE:** City Council consideration of the Alexandria Community Services Board's (Board's) FY 2010 Plan of Services, which includes the Performance Contract with the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services.

**RECOMMENDATION:** That City Council approve the Board's revised FY 2010 Plan of Services, which includes approval of the Performance Contract with the State and a net increase of 0.25 FTEs with all of these changes fully supported by \$114,805 in special revenues.

**BACKGROUND:** The Community Services Board is required by State Code to prepare an annual plan of services and have this plan approved by the local governing body. City Council approved the Board's FY 2010 Plan of Services as part of the City's Department of Mental Health, Mental Retardation and Substance Abuse annual All Funds budget. The Board recently received notification of additional State and regional funding amounts after City Council adoption of the FY 2010 budget.

**DISCUSSION:** The budget on which the approved Plan of Services is based is incorporated in the Board's FY 2010 "Performance Contract." The Performance Contract, an annual agreement with the State that serves as the primary accountability and funding mechanism for the relationship between the Board and the State, specifies funding levels for State and federal funds that are disbursed through the State and sets service and reporting requirements for the Board. The FY 2010 Performance Contract is available for review at the Board's administrative offices at 720 North St. Asaph Street.

City Council approved the Board's FY 2010 Plan of Services as part of the City's Department of Mental Health, Mental Retardation and Substance Abuse annual budget. The initial budget amount for the approved Plan of Services included estimates of State, federal and other funding based on information available at the time the budget was developed. Subsequently, the Board

received notification from the State and other funding sources of actual funding levels. In addition, the Plan of Services reflects programmatic changes in resource allocations that have taken place since the FY 2010 Proposed Budget was submitted.

The Board received final notification of four revenue increases that were not included in the FY 2010 approved budget due to notification by State and regional entities after the deadline for technical adjustments to the City's FY 2010 budget:

- Increase of \$37,252 in regional State peer support funding and an increase of 0.5 FTE for the purpose of expanding Peer Support activities. The BOARD received \$75,000 in ongoing regional Peer Support funding during FY 2009 and a portion of this funding (\$37,748) was used to transfer two part-time positions to peer support functions as one of the FY 2010 reduction options. The balance of \$37,252 will be used to convert a part-time position to full-time status and contract for additional peer support hours. Continuation of the arrangement will be dependent on continued State funding.
- Increase of an additional \$55,000 in regional State peer support funding and a corresponding decrease in budgeted Medicaid revenues to provide peer support services at the Safe Haven program. The duties of an existing full-time residential counselor will expand to include the provision of peer support services. While this item does not result in a net increase of funding or staffing levels, it does provide an opportunity to provide a needed and essential service to the Safe Haven residents.
- Increase of \$25,120 in Virginia Tobacco Settlement Foundation (VTSF) funds (*Al's Pals*). The application process for continued VTSF funding occurred during the budget development process and the amount awarded for FY 2010 exceeds the amount in the proposed budget. The proposed budget included \$36,950 for the VTSF *Al's Pals* program and the reduction of a full-time staff member to part-time. The actual award for FY 2010 is \$25,120 higher than the amount included in the proposed budget and will be used to fund non-personnel costs associated with the *Al's Pals* program.
- Increase of \$52,433 in service contract fee revenues related to the continuation of the *Too Good for Drugs* program that was previously funded directly by the VTSF. During FY 2008, the Board received a second award from VTSF for a new program titled *Too Good for Drugs*. The FY 2008 award was time-limited and set to expire at the end of FY 2009. At the time the FY 2010 proposed budget was being prepared, there was no indication the award would be continued for FY 2010 and the funding was removed from the proposed budget. Since organizations were prohibited from applying for more than one VTSF grant, the Friends of the Alexandria Mental Health Center applied for the grant with the understanding the Board would provide the services and be reimbursed by the Friends.
- Reduction of 0.25 FTE due to combining a 0.5 FTE Residential Counselor and a 0.75 FTE Residential Counselor to create a 1.0 FTE Residential Counselor in Intellectual Disability Residential. The savings associated with combining these positions is minimal.

These changes result in an increase of 0.25 FTE and an increase to the Department's budget of \$114,805. These changes do not affect City General Fund revenues and the new State revenues are restricted to these specific purposes.

**FISCAL IMPACT:** Incorporating the FY 2010 Performance Contract into the FY 2010 Plan of Services results in a net increase of 0.25 FTEs and \$114,805 in additional special revenues. These changes do not require any increase to the City's General Fund contribution.

**STAFF:**

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