

City of Alexandria, Virginia

MEMORANDUM

DATE: SEPTEMBER 30, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER *J*

SUBJECT: CONSIDERATION OF THE ALEXANDRIA COMMUNITY SERVICES BOARD'S AMENDED FY 2011 PLAN OF SERVICES, AND THE FY 2011 PERFORMANCE CONTRACT WITH THE STATE

ISSUE: Consideration of the Alexandria Community Services Board's (CSB's) FY 2011 Plan of Services, which includes the Performance Contract with the Virginia Department of Behavioral Health and Developmental Services.

RECOMMENDATION: That City Council approve the CSB's revised FY 2011 Plan of Services, which includes approval of the Performance Contract with the State and an increase of 1.4 Full-Time Employees (FTEs) to be fully supported by redirecting \$75,394 in the CSB's budget from non-personnel to personnel.

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 CSB's FY 2011 Plan of Services as part of the City's Department of Mental Health, Mental Retardation and Substance Abuse annual All Funds budget. Council needs to take action on the revised plan.

DISCUSSION: The budget on which the approved Plan of Services is based is incorporated in the CSB's FY 2011 Performance Contract. The Performance Contract, an annual agreement with the State that serves as the primary accountability and funding mechanism, specifies funding levels for State and federal funds that are disbursed through the State and sets service and reporting requirements for the CSB. The FY 2011 Performance Contract is available for review at the CSB's administrative offices at 720 North St. Asaph Street.

City Council approved the CSB's FY 2011 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 of budget development. Subsequently, the CSB recommended redirecting \$75,394 from non-personnel to personnel funding as follows:

- Reallocate \$50,394 of restricted State Pharmacy funding to establish a Pharmacy Technician to assist consumers in Physician Assistance Program (PAP) applications. PAPs provide free medications from pharmaceutical companies to low income individuals, but the process requires significant paperwork and tracking of the requests so they are processed timely. The CSB receives \$338,397 from the State for medications and the State has recently allowed for a portion of these funds to be used on personnel costs for obtaining consumer medications. Reallocating a portion of this revenue will assist in controlling medication costs. This reallocation restores one of the CSB's seven Unfunded Positions and increases the FTE count by 1.0. There is no fiscal impact to this item as funds will be reallocated from non-personnel to personnel services.
- Reallocate \$25,000 in contractual services to increase staff nursing hours by 16 hours per week. Staff compared the temporary agency costs to the costs of increasing an existing staff nurse's hours and determined that it is more cost effective to increase staff nursing hours than continue contracting with the temporary agency long term. This request increases the CSB's FTE count by 0.40. There is no fiscal impact to this item as funds will be reallocated from non-personnel to personnel services.

These changes result in a net increase of 1.4 FTEs and redirects \$75,394 in non-personnel costs to personnel. There is no effect on the City's General Fund contribution as a result of these changes.

FISCAL IMPACT: Incorporating the FY 2011 Performance Contract into the FY 2011 Plan of Services results in a net increase of 1.4 FTEs and redirects \$75,394 from non-personnel to personnel. These changes do not require any increase to the City's General Fund contribution.

STAFF:

L. Michael Gilmore, Ph.D., Director, Mental Health, Mental Retardation and Substance Abuse
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 Ryan Touhill, Budget Analyst, Office of Management & Budget