


*City of Alexandria, Virginia*19
11-19-08

MEMORANDUM

DATE: NOVEMBER 15, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: CONSIDERATION OF: (1) CITY MANAGER'S RECISIONS TO THE CITY'S FY 2009 BUDGET, AND (2) RESOLUTION ESTABLISHING FY 2010 BUDGET GUIDANCE FOR THE ALEXANDRIA CITY GOVERNMENT AND THE ALEXANDRIA CITY PUBLIC SCHOOLS

ISSUES: Spending Reduction Plans for FY 2009, and Resolution Establishing Budget Guidance for FY 2010.

RECOMMENDATIONS: That City Council:

- (1) Review the six Scenarios provided for FY 2010 budget guidance and discuss the attached resolutions regarding the FY 2010 budget guidance; and
- (2) Set the adoption of those resolutions which will establish FY 2010 budget guidance for the Alexandria City Government and the Alexandria City Public Schools at Council's November 25 legislative meeting.

FY 2009 SPENDING REDUCTION PLANS:

The City Manager provided Council with a list of planned FY 2009 Spending Reduction Plans on October 22, 2008. (This list is voluminous and can be accessed at alexandriava.gov). These plans were required in order to balance the General Fund budget in the face of a shortfall of \$10.5 million in the revenues now expected in FY 2009. The revenue shortfall is largely driven by a 5.5% project decrease in CY 2009 real estate revenues. The reductions were grouped into \$4.2 million in efficiency measures, \$5.3 million in service reductions, and \$0.9 million in increased new revenues for the General Fund. These were discussed at the Council Retreat on October 25, 2008, released to the public on that date, and posted on the City's web site. A public hearing was held on budget matters on October 30, 2008 that provided an opportunity for public comment on the proposed reductions.

The City Manager previously directed staff to immediately implement all but the service reductions. The service reductions will be implemented as soon as possible after November 19, 2008, unless Council determines to amend the proposed service reduction list by substituting a proposed reduction with a reduction of equal value not currently on the list. If no changes to the list are made, City staff will begin implementing those proposed service reductions as well. As per the City Charter, the City Manager is responsible for keeping the budget in balance, so Council need not take any action if it so chooses and the City Manager will implement all of the proposed reductions.

In addition to \$8.65 million in proposed efficiency and service reductions for FY 2009 a total of \$1,850,000 in cash capital was generally identified in the October 22, 2008 submission as a source of savings:

- \$1,516,526 from FEMA reimbursements received for June 2006 flood damage repair projects,
 - \$259,000 from unallocated balances for a future City Visitor Center expansion study, and
 - \$74,474 from environmental restoration funds available due to developer contributions.
- \$1,850,000 Total**

If Council does wish to change any of these actions, it would need to identify other potential savings to offset any savings item proposed to be dropped from the spending reduction plans.

FY 2010 BUDGET GUIDANCE:

Council has long had procedures governing its consideration of the budget, including procedures governing the “add-delete” process. In the spring of 2005 changes were made for use in the FY 2007 budget process. Council established additional procedures calling for a discussion of the budget at the Fall Retreat, after which budget guidelines would be set for the City Manager and the School Board’s guidance as they developed their respective budgets for the coming fiscal year. After the FY 2007 budget was adopted and with the installation of a new Council, a revised set of procedures was adopted in the Fall of 2006 for use in the FY 2008 budget process. Again in the Fall of 2007 revisions were made to the budget procedures for the FY 2009 budget process. This docket item proposes no additional changes in the underlying budget process, and requests specific, quantifiable guidance for the FY 2010 budgets of the City Manager and the School Board, in accordance with Resolution 2256 (Attachment 1) passed by this Council last fall to govern the budget process for the remainder of its term.

Attachment 2 provides a table that summarizes the preliminary forecasts for FY 2010 presented to City Council at its Retreat by City and Schools staff. It shows an estimate of a current services and policy baseline budget for both the City government and Alexandria City Public Schools.

Attachment 3 shows City staff’s current estimate of the revenues available in FY 2010 under current tax rates and policies.

Six scenarios for possible use by City Council in providing guidance for the FY 2010 budget have been developed based on the following elements of the FY 2010 budget:

1. the maximum tax rate to be used for real property taxation;
2. the maximum expenditure in dollars to be available for the portion of the budget managed by the City Manager including:
 - a. City Operations
 - b. Transit Subsidies
 - c. CIP-related expenditures (cash capital and debt service);
3. the maximum expenditure in dollars to be available for transfer to the Schools for operations; and
4. the minimum market rate adjustment (if any) for salaries for both City and School employees.

Whatever scenario is chosen, the reduction (or increase) from the FY 2009 Approved Budget should be shared proportionately between the City and the Schools budget – at least in the initial targets.

- Both the City and the Schools will have a difficult time living within such guidance, but both should be asked to display the impact of such reductions on their activities and services to the public.
- If Council decides next spring to divide the available funds in a different fashion, it will have the opportunity to do so.

Basic Scenarios

Scenario A reflects a maximum real property tax rate of 84.5 cents – an amount equal to the current rate. Expected revenues would provide a total General Fund Budget of \$506.6 million that is 6.54% less than the FY 2009 Approved Budget. If Council chooses this scenario as the basis for guidance and also reduces the School's transfer by an equal, proportionate share of minus 6.54%, the guidance for the City would be a budget of no more than \$349.6 million and for the Schools, \$157.0 million.

Scenario B reflects a maximum real property tax rate of 89.5 cents – an amount that would yield an average residential tax for 2009 equal to that paid in 2008. Expected revenues would provide a total General Fund Budget of \$522.7 million that is 3.56% less than the FY 2009 Approved Budget. If Council chooses this scenario as the basis for guidance and also reduces the School's transfer by an equal, proportionate share of minus 3.56%, the guidance for the City would be a budget of no more than \$360.7 million and for the Schools, \$162.0 million.

Scenario C reflects a maximum real property tax rate of 91.3 cents – an amount that would yield an average residential real estate tax for 2009 equal to 2.0% more than that paid in 2008. Expected revenues would provide a total General Fund Budget of \$528.5 million that is 2.49% less than the FY 2009 Approved Budget. If Council chooses this scenario as the basis for guidance and also reduces the School's transfer by an equal, proportionate share of minus 2.49%, the guidance for the City would be a budget of no more than \$364.7 million and for the Schools, \$163.8 million.

Scenario D reflects a maximum real property tax rate of 93.1 cents – an amount that would yield an average residential tax for 2009 equal to 4.0% more than that paid in 2008 – approximately the amount of expected inflation. Expected revenues would provide a total General Fund Budget of \$534.3 million that is 1.42% less than the FY 2009 Approved Budget. If Council chooses this scenario as the basis for guidance and also reduces the School's transfer by an equal, proportionate share of minus 1.42%, the guidance for the City would be a budget of no more than \$368.7 million and for the Schools, \$165.6 million.

Scenario E reflects a maximum real property tax rate of 95.5 cents – an amount that would yield an average residential tax for 2009 equal to 6.7% more than that paid in 2008. Expected revenues would provide a total General Fund Budget of \$542.1 million that is approximately equal to the FY 2009 Approved Budget, which is a 0.01% increase. If Council chooses this scenario as the basis for guidance and also keeps the School's transfer equal to its FY 2009 Approved amount, the guidance for the City would be a budget of no more than \$374.05 million and for the Schools, \$168.05 million.

Scenario F reflects a maximum real property tax rate of 101.5 cents – an amount that would yield an average residential tax for 2009 equal to 13.4% more than that paid in 2008. Expected revenue would provide a total General Fund Budget of \$561.5 that would be sufficient to maintain current services, which is a 3.57% increase over the FY 2009 Approved Budget. If Council chooses this scenario as the basis for guidance and splits the funds to maintain current services in both the City and the Schools, the guidance for the City would be a budget of no more than \$385.6 million (a 3.09% increase) and for the Schools, \$175.9 million (a 4.70% increase).

Market Rate Adjustment (MRA) Scenarios

While providing a market rate adjustment is highly desirable, given the severity of the budget situation in Alexandria as well as in the region, based on preliminary discussions it appears that no major Northern Virginia locality's budget (when proposed) will include a market rate adjustment. A few proposed budgets may not include scheduled merit increases. The Maryland localities work under collectively bargained labor contracts, and subsequent negotiations and renegotiations make comparisons difficult. Although Prince George's County and Montgomery County may have labor agreements that call for salary increases, they are both contemplating significant furloughs as a means to balance their budgets that effectively negate any pay increases being provided to employees.¹ To the extent that Council directs an MRA or one-time bonus to be included in the City and Schools budgets, both organizations may be forced to consider more severe cutbacks in employee benefits than those that may otherwise be proposed.

However, so as to understand market rate adjustments and consider them, the following scenarios are provided:

Scenario 1 would provide a 2 percent MRA or one time bonus for both City and Schools employees. The cost of doing so would be \$7.6 million -- \$4.4 million for City staff, \$3.0 million for Schools staff, and \$0.2 million for DASH employees. This MRA or one time bonus would have to be provided within the maximum expenditure amounts provided in Scenarios A-F.

Scenario 2 would provide a 1 percent MRA or one time bonus for both City and Schools employees. The cost of doing so would be \$3.8 million -- \$2.2 million for City staff, \$1.5 million for Schools staff, and \$0.1 million for DASH employees. This MRA or one time bonus would have to be provided within the maximum expenditure amounts provided in Scenarios A-F.

Scenario 3 would provide a 0.5 percent MRA or one time bonus for both City and Schools employees. The cost of doing so would be \$1.9 million -- \$1.1 million for City staff, \$0.75 million for Schools staff, and \$0.5 million for DASH employees. This MRA or one time bonus would have to be provided within the maximum expenditure amounts provided in Scenarios A-F.

Scenario 4 would provide no MRA or one time bonus for either City or Schools employees.

¹ Furloughs are not recommended for consideration because they have an impact on service to the public and do not address the long-term structural budget problem facing the City.

Expenditure Ceilings

Council could establish a maximum expenditure ceiling based on a different scenario than the one used to determine a maximum tax rate or no expenditure ceiling at all. This guidance would allow the City Manager to recommend two budgets, a base budget using the maximum tax rate; and a higher alternative budget. This guidance would be similar to that provided for the FY 2009 budget.

Transportation Funding

Unless Council otherwise directs, staff plans to bring forward during its deliberations on the budget next spring the establishment of a separate commercial/industrial real estate tax for transportation purposes. However at this time, we do not recommend that Council include such a tax in its guidance. There will be time next Spring to weigh the advantages of such a tax against the impact of reduced funding on transportation operating programs and capital projects without such a tax.

Open Space Funding

Unless Council otherwise directs, staff plans to bring forward in December an ordinance that would amend the one percent of real estate tax revenues for open space to a level that would pay for debt service only. This action, while representing a FY 2010 decision, needs to be taken in December before the start of the calendar year in which the tax applies. If during the budget deliberations, the City Manager or Council wishes to increase the open space dedicated percentage to a higher amount than that necessary to fund only debt service; it can be done then. If no action is taken in December, then the one percent tax rate is locked in.

Summary:

The tables on the next two pages show the 6 basic Scenarios and compare those Scenarios to the available revenue.

Table 1: GUIDANCE SCENARIOS

	SCENARIO DESCRIPTIONS	City (\$ in M)	City % Increase over FY 2008	Schools (\$ in M)	Schools % Increase over FY 2008	Total (\$ in M)	Total % Increase over FY 2008
	FY 2009 Approved Budget	\$374.0		168.0		542.0	
A	No increase in the tax rate of 84.5 cents	\$349.6	-6.54%	\$157.0	-6.54%	\$506.6	-6.54%
B	No increase in the average residential tax bill (an 89.5 cent tax rate)	\$360.7	-3.56%	\$162.0	-3.56%	\$522.7	-3.56%
C	A 2.0% increase in the average residential tax bill (a 91.3 cent tax rate)	\$364.7	-2.49%	\$163.8	-2.49%	\$528.5	-2.49%
D	No increase in the inflation adjusted average residential tax bill (a 93.1 cent tax rate)	\$368.7	-1.42%	\$165.6	-1.42%	\$534.3	-1.42%
E	A flat budget with no increase in expenditures over the FY 2009 approved budget (a 95.5 cent tax rate)	\$374.1	+0.01%	\$168.0	+0.01%	\$542.1	+0.01% %
F	A current services budget (a 101.5 cent tax rate)	\$385.6	+3.09%	\$175.9	+4.70%	\$561.5	+3.58%

The following table shows the six scenarios in relation to real estate revenues:

Table 2: Guidance Scenarios Effect on Real Estate Taxes				
	SCENARIO DESCRIPTIONS	Real Estate Tax Rate (per \$100 assessed value)*	Average Residential Real Estate Tax (Existing Properties)*	% Increase in Average Existing Residential Real Estate Tax Bill*
	FY 2009 Approved Budget	\$0.845	\$4,214	
A	No increase in the tax rate of 84.5 cents	\$0.845	\$3,979	-5.6%
B	No increase in the average residential tax bill	\$0.895	\$4,214	-0.0%
C	A 2.0% increase in the average residential tax bill	\$0.913	\$4,299	+2.0%
D	No increase in the inflation adjusted average residential tax bill	\$0.931	\$4,384	+4.0%
E	A flat budget with no increase in expenditures over the FY 2009 approved budget	\$0.955	\$4,497	+6.7%
F	A current services budget	\$1.015	\$4,780	+13.4%

* These calculations assume that the average residential assessment will decline 5.6%. This is consistent with the preliminary forecast of assessments presented at Council's fall retreat on October 25, 2008.

ATTACHMENTS:

Attachment 1 Resolution #2256
Attachment 2 Preliminary FY 2010 Forecast
Attachment 3 Current Revenues Estimates for FY 2010

STAFF:

Mark Jinks, Deputy City Manager
Bruce Johnson, Director, Office of Management and Budget

Resolution No. 2256

**Budget Resolution Establishing the Processes To Be Used To Plan For and to Adopt
Operating Budgets and Capital Improvement Programs**

WHEREAS, the Alexandria City Council wishes to establish specific policies to guide upcoming budget deliberations to ensure responsible actions with current economic resources; and

WHEREAS, resolutions No. 2008, 2150, and 2166 and previously adopted by City Council have now expired; and

WHEREAS, City Council believes there should be more flexibility in diversifying the sources of revenue available to fund the General Fund Operating Budget; and

WHEREAS, City Council's deliberations on the budget each and every year reflect a balancing of the needs of the community, with the community's ability to afford services to meet those needs; and

WHEREAS, the City Council is committed to continue performing fully its obligations to provide the core services expected of a municipal government and to continue to provide quality services and facilities for the residents and businesses of Alexandria; and

WHEREAS, residential real estate taxes have borne an increasing share of the burden of paying for City and School services; and

WHEREAS, the City Council is committed to managing the growth of City General Fund operating and capital expenditures in order to help address the issue of increased residential real estate taxes; and

WHEREAS, the City Council is committed to assisting Alexandria City Public Schools in achieving its mission and being among the best in Northern Virginia; and

WHEREAS, the City Council is committed to maintaining a fair, reasonable and competitive compensation plan for City and School employees; and

WHEREAS, the City Council is committed to continuously improving City government effectiveness and efficiency, and expects the City Manager and City staff to focus on managing for results, and

WHEREAS, the City Council is committed to maintaining its top AAA/Aaa credit ratings; and

WHEREAS, the City Council desires to achieve the vision and strategic goals and objectives outlined in the City Council's adopted Strategic Plan; and

WHEREAS, sufficient time for the budget process is necessary for the City Council and the community to deliberate on the various issues raised given the budget's complexity and importance;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Alexandria, Virginia, that the Council shall, for the purposes of consideration of the Budget for the City of Alexandria, repeal Resolution 2205, adopt this resolution in lieu thereof, and adhere to the following rules of procedure:

Section (a) The Timing of the Setting of Budget Guidance by City Council and the City Manager's Budget Submission to City Council

(1) That the City Manager shall plan and prepare the proposed Operating Budget and proposed six year Capital Improvement Program and that such preparations shall include, but not be limited to, requests for City departments to identify efficiencies, low priority programs not crucial to achieving City Council strategic objectives, potential discretionary supplemental increases crucial to achieving City Council's strategic objectives, and potential City-wide process changes that would be beneficial to City operations and to the public.

(2) That the City Manager shall present to City Council in time for the fall Council Retreat a preliminary forecast and outlook for (a) revenues (including the outlook for real estate assessments), (b) expenditures necessary to maintain appropriate services and policies (including in the City in the City Manager's forecast of cash capital and debt service costs related to the most recently approved Capital Improvement Program and estimates of the cost of an appropriate cost-of-living adjustment for City and School staff), (c) the outlook for additional requests for City operating needs in the upcoming fiscal year and succeeding 5 fiscal years, (d) the outlook for Federal and State grants and the costs of meeting unfunded Federal and State mandates, both current mandates and projected new mandates.

(3) That the Alexandria City School System shall separately present to City Council, but in a format coordinated with the City Manager, its preliminary forecast and outlook for (a) expenditures necessary to maintain appropriate services and policies, (b) the outlook for additional requests for Schools operating in the upcoming fiscal year and capital needs through the upcoming fiscal year and the succeeding five years, (c) the outlook for Federal and State grants, and (d) the outlook for the costs of meeting unfunded Federal and State mandates, both current mandates and projected new mandates.

(4) That as part of its fall Retreat, City Council will consider this information and any other relevant information available to it at that time from the efforts described above, including citizen input to be provided by a public hearing on the upcoming budget to be conducted prior to City Council's fall Retreat.

(5) That City Council shall, as a result of information available to it at the Retreat, direct that the City Manager prepare a budget resolution to be adopted by City Council to guide the preparation of the upcoming Operating Budget and next Capital Improvement Program and that such a resolution would contain (a) a maximum real estate tax rate (b) a maximum target for City General Fund expenditures (including any market rate adjustment (MRA) for City staff and cash capital and debt service), and (c) a target for a budget transfer to the Alexandria City Public Schools (including the cost of any MRA for School staff). The City Manager must include this amount in the proposed budget to be submitted in accordance with section 9 below.

(6) City Council shall establish for the City Manager and the Schools what preliminary minimum percentage MRA should be included in the guidance established in sections 5(a), 5(b) and 5(c) above.

(7) That City Council plans to adopt such a budget resolution during the month of November.

(8) That the Board of the Alexandria City Schools is requested to approve an Operating Budget and Capital Improvement Program by no later than January 31, prior to the upcoming fiscal year. Such budget, if it shall exceed the Council approved budget guidance for the Operating Budget transfer given to the Alexandria City Schools, shall clearly identify what operating programs and activities would be funded if additional funding were provided above that guidance.

(9) That the City Manager shall submit a proposed Operating Budget and Capital Improvement Program to the City Council no later than the first legislative meeting in February, that does not exceed the guidance for the rate of change in the real estate tax rate, and the guidance for General Fund expenditures established by City Council. Such budget shall clearly identify what operating program and activities and capital projects would be recommended if additional funding were provided, and/or what other tax rate and fee changes could be enacted with whatever additional revenues might be available above the revenues needed to meet the expenditure guidance and still provide a structurally sound budget, including a proposed real estate tax rate necessary for financing the budget provided for that rate, as well as provide tax, fee and other revenue options necessary for financing the budget, as appropriate, so long as the real estate tax rate proposed does not exceed that allowable under section 5(a) above.

(10) That the City Manager shall endeavor to produce a budget that substitutes other taxes, fines, fees and charges for real estate taxes, as well as reductions in programs and activities through efficiencies and reduced service levels in order to balance the budget as required by section 6.05 of the City Code. To the extent that the City Manager deems additional expenditures in excess of those included in the proposed budget within the guidance provided by section 5(a) of the resolution, but within the guidance provided by sections 5(b) and (c) of this resolution, the City Manager shall separately specify as a recommended "add" to the proposed budget the additional recommended expenditures by program and activity and the reasons therefore, and the required real estate tax rate necessary to balance the budget.

(11) The City Manager may recommend, and Council may adopt, a different percentage MRA in his proposed budget than that established by City Council under section 6 above, but such a recommendation shall not change the guidance established by sections 5(a), (b) and (c) above. The proposed Operating Budget shall include as a line item of expenditure (instead of as a designation of fund balances) the cost of any other market-based salary adjustments proposed to maintain the City's ability to attract and retain any class or classes of employee. The City Manager may separately list all or a portion of the minimum market rate adjustment as one of those additional expenditures that would need to be added to the proposed budget to be paid for by an increase in the real estate tax rate under section 10 above. If that expenditure is so listed it would also reduce the Schools target specified in section 5(c) above by the amount of the minimum market rate adjustment for Schools employees.

(12) That City Council shall consider these recommendations and endeavor to enact an Operating Budget and Capital Improvement Program that balances the needs of the community with the community's ability to afford services to meet those needs.

Section (b) Proposed Budget for the City of Alexandria –

(1) For purposes of this resolution, the proposed budget of revenue rates and expenditure levels for the fiscal year shall be that proposed by the City Manager.

(2) For purposes of this resolution, the Office of Management and Budget shall provide revenue and/or expenditure projections for any motion or amendment that could affect the proposed budget specified in Section (b) (1).

Section (c) Maximum Expenditure Levels May Not Exceed Sum of Projected Revenue and Appropriation from Undesignated Fund Balance in Proposed Budget

(1) It shall not be in order in the Alexandria City Council to consider any motion or amendment to the proposed budget of the City of Alexandria if such motion or amendment would have the effect of increasing any specific budget outlays above the level of such outlays contained in the proposed budget specified in Section (b) of this resolution, or would have the effect of reducing any specific revenues below the level contained in the proposed budget specified in Section (b) of this resolution, unless such motion or amendment makes at least an equivalent reduction in other specific budget outlays, identifies an equivalent increase in other specific revenues, or an equivalent combination thereof.

(2) In the Alexandria City Council, any appropriation from the Undesignated Fund Balance or any like account beyond that proposed in the Manager's proposed budget shall require an affirmative vote of five Council Members.

(3) In the event that the City Manager recommends final revenue adjustments that result in a net increase or net decrease from the revenue estimates specified in section (b) of this resolution, the net change in the revenue estimate shall be reflected as a change in the proposed appropriation from the Undesignated Fund Balance. As specified in Section c (2), any appropriation from the Undesignated Fund Balance beyond that proposed in the Manager's proposed budget, including the net effect of final revenue adjustments, shall require an affirmative vote of five Council Members.

(4) It shall not be in order for any member of the Alexandria City Council to initiate any amendment to the proposed budget of the City of Alexandria which would increase any specific budget outlay by more than \$50,000, unless written public notice of the member's intent to offer such an amendment, and a general description of the proposed amendment, is given to the City Manager and City Clerk at least one week prior to the spring budget public hearing.

(a) The provisions of this paragraph may be waived if the proposed amendment is raised by a member of the public at the spring budget public hearing (but not an amendment raised at the separate public hearing on the effective real estate tax) and at least three members of the Alexandria City Council formally request a budget memorandum from staff in regard to such proposed amendment within 3 days of the public hearing.

(b) The provisions of this paragraph also may be waived for good cause by an affirmative vote of five Council Members. As used in this paragraph, "good cause" shall include, but not be limited to, a change in the amount of state or federal funding included in the proposed budget.

Section (d) Adoption of Budget that exceeds target.

The adoption of a budget that in total exceeds the guidance established in accordance with sections 5(a), 5(b) and 5(c) (or the highest target if more than one target is established for each section) shall require an affirmative vote of five Council Members.

Section (e) Expiration – The provisions of this resolution shall expire on June 30 2009.

ADOPTED: November 27, 2007

_____/SS_____
WILLIAM D. EUILLE, MAYOR

ATTEST:

_____/SS_____
Jacqueline M. Henderson, CMC City Clerk

City General Fund Summary

(\$ in millions)



		City Ops	ACPS Ops	Transit	CIP	Total
FY 2009 Approved GF		\$318.7	\$168.0	\$16.7	\$38.6	\$542.0
Subtotal Compensation		+\$3.4	+\$7.4	-	-	\$10.8
Subtotal Non-Personnel		+\$3.3	+\$0.5	\$1.3	\$3.0	\$8.1
FY 2010 Current Services		\$323.4	\$175.9	\$18.0	\$41.6	\$560.9
Schools Programs Net Additions and Reductions		-	-\$3.1	-	-	-\$3.1
Continuation of FY 2009 Spending Reductions (Debt Service impact shown above)		-\$6.8	-	-\$0.3	-\$1.9	-\$9.0
FY 2010 Current Services (adjusted)		\$316.6	\$172.8	\$17.7	\$39.7	\$548.8
Fire/Police Communications						
2% MRA		+\$4.6	+\$3.0	+\$0.2		\$7.8



City General Fund Summary

(\$ in millions)

		City Ops	ACPS Ops	Transit	CIP	Total
FY 2009 Approved		\$318.7	\$168.0	\$16.7	\$38.6	\$542.0
Compensation Increases						
Step		+\$4.4	+\$3.8			\$8.2
Health/Benefits		+\$1.0	+\$2.5			\$3.5
Retirement (OPEB)		-	+\$0.8			\$0.8
Other		-\$2.0	+\$0.3			\$1.7
Subtotal Compensation		+\$3.4	+\$7.4			\$10.8



City General Fund Summary

(\$ in millions)

		City Ops	ACPS Ops	Transit	CIP	Total
Non-Personnel						
Contracts/Contributions		+\$0.8	+\$0.5			\$1.3
Fuel/Utilities		+\$0.3	+\$0.4			\$0.7
CIP Operating Impacts		+\$0.3				\$0.3
CSA		+\$2.0				\$2.0
Transit				+\$1.3		\$1.3
Cash Capital/Debt Service					+\$3.0	\$3.0
One-time reductions		-\$0.1	-\$0.4			-\$0.5
Subtotal Non-Personnel		\$3.3	\$0.5	+\$1.3	+3.0	\$8.1

FY 2010 Preliminary Revenue Estimates

Millions of Dollars

	FY 2009 Approved	FY 2010 Projected	\$ Change	% Change
Real Property Taxes (1)	\$293.6	\$270.3	-\$23.3	-7.9%
Personal Property Tax (2)	33.7	28.3	-5.4	-16.0%
Utility Tax	10.7	10.6	-0.1	-0.9%
Business license tax	33.5	33.1	-0.4	-1.2%
Recordation	4.8	3.3	-1.5	-31.3%
Transient Lodging	11.5	11.8	0.3	2.6%
Restaurant Food	15.0	15.1	0.1	0.7%
Communications	13.0	13.2	0.2	1.5%
Interest on General Fund Investments	3.1	2.9	-0.2	-6.5%
Intergovernmental Revenues (3)	29.2	28.1	-1.1	-3.8%
Miscellaneous	0.6	0.7	0.1	16.7%
Fund Balance	6.6	2.6	-4.0	-60.6%
Total including others not mentioned above	\$542.0	\$506.6	-\$35.4	-6.5%

(1) Assumes 5% CY 2010 assessment reduction

(2) Assumes 15% CY 2010 reduction in vehicle assessments

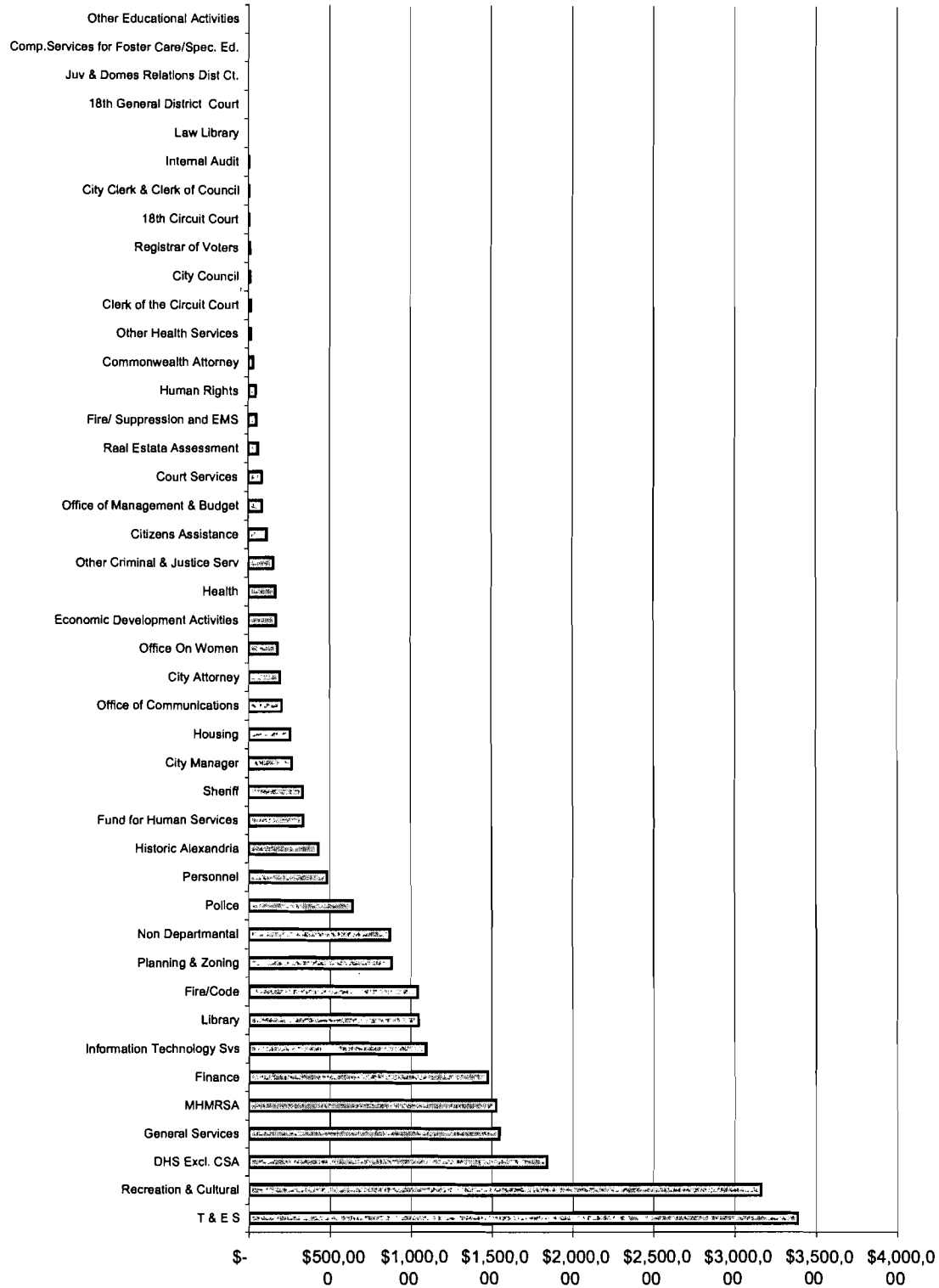
(3) State takeback of \$1M federal per diem reimbursement



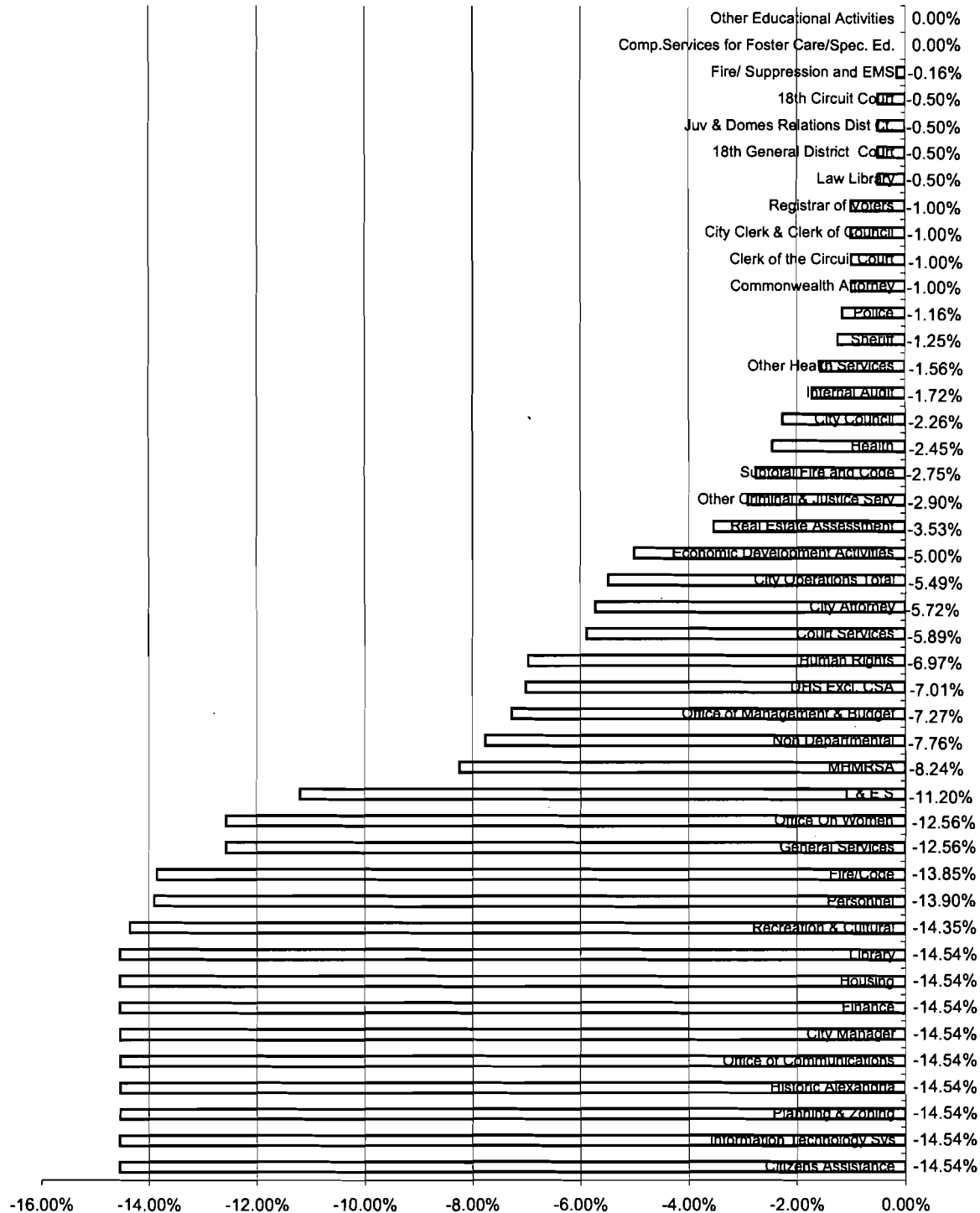
City of Alexandria

FY 2010 Council Retreat

**\$ Reductions From Current Services by Department
(Excluding Debt Service, Cash for Capital Projects and Transit Subsidies)**



**% Reduction from Current Services by Department
(Excluding Debt Service, Cash for Capital Projects and Transit Subsidies)**





William D. Euille
Mayor

Redella S. Pepper
Vice Mayor

Members of Council
Ludwig P. Gaines
Rob Krupicka
Timothy B. Lovain
Paul C. Smedberg
Justin M. Wilson

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19
11-19-08



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City Clerk and
Clerk of Council
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City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 19, 2008

TO: JAMES K. HARTMANN, CITY MANAGER

FROM:

SUBJECT: FY 2010 BUDGET GUIDANCE RECOMMENDATIONS

The FY 2010 Budget process presents the Council and City government with a unique set of challenges amid the most stringent economic environment in the past thirty years. This places demands on the City's ability to deliver services, maintain and expand its infrastructure as well as managing the expectations of City residents.

We cannot tax our way out of this problem, but by the same token, we cannot cut our way out of it either.

The City Manager's initial round of \$10.5 million of service cuts and efficiency measures have begun the process of adjusting our expenditures for the FY 2010 revenue picture that we are currently forecasting. With a gap of at least \$35 million (assuming replication of nearly 100% of FY 2009 cuts into FY 2010) in FY 2010, coupled with our existing Capital Improvement Program funding needs, significant intergovernmental revenue cuts (state and Federal), and further revenue deterioration in FY 2009, the City faces difficult decisions.

Accordingly, we request the preparation of a Guidance Resolution containing the following characteristics.

- 1) The City Manager shall evaluate which of the FY 2010 cuts could be implemented prior to the end of FY 2009 and shall be prepared, with the release of the City Manager's proposed budget, to implement an additional \$2 million of sustainable (able to be carried forward in FY 2010) cuts to the approved FY 2009

"Home Town of George Washington and Robert E. Lee"

Operating Budget. These cuts shall be identified as part of the budget presentation in February.

- 2) The City Manager shall present the FY 2010 Operating Budget and FY 2010 – FY 2015 Capital Improvement Program that includes the following characteristics:
 - a. A proposed real estate tax rate that will provide for the average homeowner to pay the same amount of real estate tax paid in 2008. Based on current staff projections, this will reflect approximately a 5 cent increase in the Real Estate Tax rate.
 - b. A decrease in the City transfer to the Alexandria City Public Schools (ACPS) Operating Budget of 2% from the current FY 2009 Approved Budget.
 - c. The budgeting of no new CIP (City & ACPS) spending aside from those expenditures meeting the following exceptions:
 - i. Expenditures related to the new Public Safety Center.
 - ii. Expenditures subject to contractual obligations or other situations where cancellation or deferral would cause significant financial loss for the City.
 - iii. Expenditures to maintain existing infrastructure and those that are deemed emergency in nature.
 - iv. Expenditures that may be funded using prior-year unallocated balances already within the CIP.
 - d. An alternative CIP budget option for the Council and community to consider that allows for an additional one cent in the Real Estate Tax fully dedicated to capital improvement projects.
 - e. Aside from the use of prior-year surpluses, we request that the City Manager's proposed budget not include the use of unreserved, undesignated fund balance.

We fully expect that there will be substantial service reductions in the proposed budget. We furthermore recognize that this proposed budget will likely contain significant reductions in the City workforce. We must all approach this effort with full clarity, aggressive communication and above-all, compassion.

In addition to the guidance we have offered, we offer the following principles to help shape this unprecedented undertaking:

Public Safety: The City Manager should propose a budget that provides for the public safety of our residents.

Safety Net: The City Manager's proposed budget ^{shall}~~should~~ strive to maintain critical health and safety net services for the most vulnerable in the community.

Education: The City Manager should work closely with the Superintendent to minimize any program cuts that would harm classroom education and the progress we have made in recent years. The Manager is also asked to identify and execute on opportunities to combine additional programs or services with ACPS.

Property Values: The City Manager should work to avoid reductions in areas where cuts would directly harm property values or would diminish Alexandria's ability to recover from this economic downturn.

Economic Sustainability: The City Manager should work to avoid reductions to spending that generate additional commercial tax revenues to the City—including economic development and business retention efforts.

Credit Rating: The City Manager's proposed budget shall not make any material changes that may threaten the City's AAA/aaa bond rating.

City Workforce: City employees should be competitively compensated. The City Manager should closely monitor regional employee trends to ensure Alexandria is not at a competitive disadvantage in our efforts to attract and retain our workforce. In addition, the Council encourages the City Manager to identify creative forms of compensation to reward employees, including additional vacation accrual, reduced evening meetings, and opportunities to work from home.

During FY 2010, using the input from the completed Watson Wyatt study, the City Council shall adopt revisions to its Compensation Philosophy as well as a multi-year plan for implementation.

Transportation: Transportation provided during peak-travel times should not be diminished.

Regional Cooperation: The City Manager is encouraged to work with his counterparts in the region to determine if there are inter-jurisdictional initiatives that could yield savings for Alexandria taxpayers—including the creation of regional authorities to provide critical services.

Fees and New Revenues: The Council encourages the City Manager and Staff to identify new and creative revenue sources and to make any such proposals to the Council that he deems appropriate.

Civic Partnerships: We encourage the City Manager to look for new ways for civic associations, service clubs and residents take over some municipal responsibilities—for example, expansion of the Adopt-A-Park program, utilization of CERT volunteers for Special Events, the expansion of neighborhood public safety programs, etc.

Cc: Mark Jinks, Deputy City Manager
Bruce Johnson, Director, OMB

19
11-19-08

FY 2009 Spending Reduction Plans and FY 2010 Budget Guidance

Docket Item #19
November 19, 2007

Information Provided

- FY 2009 Spending Reduction Plans
 - 50 page list of spending reduction plans
- FY 2010 Budget Guidance
 - Resolution 2256 (Attachment 1)
 - Current Services Baseline (Attachment 2)
 - Estimate of Revenues (at current tax rates) (Attachment 3)
- Six Scenarios
 - Descriptions (Table 1)
 - Effect on Real Estate Taxes (Table 2)



City of Alexandria

Agenda for Discussion

- **FY 2009 Budget Reductions**
- **FY 2010 Guidance**
 - **Real Estate Tax Rate**
 - **Transfer to the Schools**
 - **City Operating Budget Expenditure Ceilings and/or Other Guidance/Principles**
 - **CIP Guidance**
 - **Other Fees and New Revenues**
 - **Use of Fund Balance**
 - **Market Rate Adjustment**
 - **Transportation Funding**
 - **Open Space Funding**



City of Alexandria

Table 1: GUIDANCE SCENARIOS

	SCENARIO DESCRIPTIONS	City (\$ in M)	City % Increase over FY 2008	Schools (\$ in M)	Schools % Increase over FY 2008	Total (\$ in M)	Total % Increase over FY 2008
	FY 2009 Approved Budget	\$374.0		\$168.0		\$542.0	
A	No increase in the tax rate of 84.5 cents	\$349.6	-6.54%	\$157.0	-6.54%	\$506.6	-6.54%
B	No increase in the average residential tax bill (an 89.5 cent tax rate)	\$360.7	-3.56%	\$162.0	-3.56%	\$522.7	-3.56%
C	A 2.0% increase in the average residential tax bill (a 91.3 cent tax rate)	\$364.7	-2.49%	\$163.8	-2.49%	\$528.5	-2.49%
D	No increase in the inflation adjusted average residential tax bill (a 93.1 cent tax rate)	\$368.7	-1.42%	\$165.6	-1.42%	\$534.3	-1.42%
E	A flat budget with no increase in expenditures over the FY 2009 approved budget (a 95.5 cent tax rate)	\$374.1	+0.01%	\$168.0	+0.01%	\$542.1	+0.01% %
F	A current services budget (a 101.5 cent tax rate)	\$385.6	+3.09%	\$175.9	+4.70%	\$561.5	+3.58%



City of Alexandria

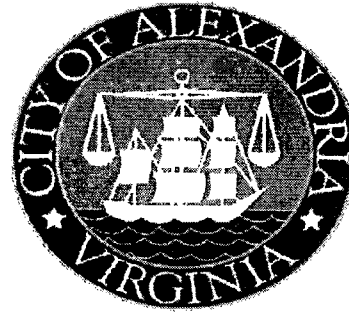
	Table 2: SCENARIO DESCRIPTIONS	Real Estate Tax Rate (per \$100 assessed value)	Average Residential Real Estate Tax (Existing Properties)	% Increase in Average Existing Residential Real Estate Tax Bill
	FY 2008 Approved Budget	\$0.845	\$4,214	
A	No increase in the tax rate of 84.5 cents	\$0.845	\$3,979	-5.6%
B	No increase in the average residential tax bill	\$0.895	\$4,214	-0.0%
C	A 2.0% increase in the average residential tax bill	\$0.913	\$4,299	+2.0%
D	No increase in the inflation adjusted average residential tax bill	\$0.931	\$4,384	+4.0%
E	A flat budget with no increase in expenditures over the FY 2009 approved budget	\$0.955	\$4,497	+6.7%
F	A current services budget	\$1.015	\$4,780	+13.4%



City of Alexandria

19
11-19-2008

CITY OF ALEXANDRIA



Spending Reduction Plans Fiscal Year 2009

October 22, 2008

The attached proposed spending reduction plans provide detailed information on the manner in which the budget gap of \$10.5 million in FY 2009 would be closed. For each department that is affected you will see a listing of each reduction by budget activity categorized as an "efficiency measure" or a "service reduction". We also have identified several measures to increase General Fund revenues. The citywide results are as follows:

\$4,224,445 in efficiency measures to reduce spending
\$5,328,341 in service reductions to reduce spending
\$935,910 in increases to General Fund revenue

A total of \$10,488,695 in total budget adjustments are planned to balance the currently expected drop in revenues of \$10,470,207.

The equivalent of 26.5 full-time positions will not be filled in fiscal year 2009 to achieve some of these savings.

FY 2009 SPENDING REDUCTION PLANS

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October 22, 2008

18th CIRCUIT COURT
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>\$/FTE</u> <u>%</u>	<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$1,368,046	\$1,368,046	-\$5,704	-0.4%	NA
FY 2009 STAFFING LEVEL	13.0				

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>\$</u> <u>%</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>					
Civil Cases	\$268,598	-\$2,109	-0.8%		Efficiency measures
Criminal Cases	\$268,597	-\$2,109	-0.8%		Efficiency measures
Alexandria Justice Information System (AJIS) Support	\$645,247	-\$956	-0.1%		Efficiency measures
Jury Services	\$185,604	-\$530	-0.3%		Efficiency measures
Total Reductions		-\$5,704			

Impact on Services

None

October 22, 2008

CITIZEN ASSISTANCE
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>\$/FTE</u>	<u>%</u>	<u>REVENUE INCREASE</u>	
FY 2009 APPROVED BUDGET	\$778,771	\$773,273	-\$17,000		-2.2%	NA	
FY 2009 STAFFING LEVEL	7.8						
<u>Reductions</u>			<u>SPENDING REDUCTION</u>	<u>\$</u>	<u>%</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Unspecified by Activity</u>							
Freedom Of Information Act (FIOA) Requests & Other							
Administrative Support.				-\$17,000			Efficiency measures*
Total Reductions				-\$17,000			
<u>Impact on Services</u>							
None							

*Savings will be attained due to the filling of a full-time Administrative Technician position with a permanent part-time employee.

October 22, 2008

OFFICE OF THE CITY ATTORNEY
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$3,341,753	\$3,341,753	-\$54,209	-1.6%	NA
FY 2009 STAFFING LEVEL	15.0			0.0%	
			<u>SPENDING REDUCTION</u>		<u>Primarily</u>
		<u>FY 2009 Budget</u>	<u>\$</u>	<u>%</u>	<u>Efficiency Measure or Reduced Services</u>
<u>Reductions</u>					
Specified by Activity					
General Litigation		\$1,014,956	-\$24,209	-2.4%	Efficiency measures
Special Projects		\$939,929	-\$30,000	-3.2%	Efficiency measures
Total Reductions			-\$54,209		

Efficiency Measures

In-House vs. Outside Legal Counsel	The department will cover any impacts using in-house instead of outside legal counsel.
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October 22, 2008

CITY CLERK

FY 2009 Spending Reduction Plan

	ALL FUNDS	GENERAL FUND	GENERAL FUND REDUCTION		REVENUE INCREASE	
			\$/FTE	%		
FY 2009 APPROVED BUDGET	\$415,455	\$415,455	-\$1,005	-0.2%	NA	
FY 2009 STAFFING LEVEL	4.0		0.0	0.0%		
		FY 2009 Budget	SPENDING REDUCTION		FTE IMPACT	Primarily Efficiency Measure or Reduced Services
<u>Reductions</u>			\$	%		
Unspecified by Activity						
Fees for Temporary Services			-\$792			Efficiency
Conferences and Registrations			-\$213			Efficiency
Total Reductions			-\$1,005			

Impact on Services

None Expected

October 22, 2008

CITY COUNCIL
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$524,157	\$524,157	-\$3,377	-0.6%	NA
FY 2009 STAFFING LEVEL	14.0		0.0	0.0%	

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
		<u>\$</u>	<u>%</u>		
<u>Unspecified by Activity</u>					
Photocopying		-\$1,669			Efficiency
Regional Travel		-\$1,669			Efficiency
Total Reductions		-\$3,337			

Impact on Services

None Expected

October 22, 2008

CITY MANAGER'S OFFICE
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>	
			<u>\$/FTE</u>	<u>%</u>	
FY 2009 APPROVED BUDGET	\$1,845,208	\$1,845,208	-\$75,720	-4.1%	NA
FY 2009 STAFFING LEVEL	11.0				
<u>Reductions</u>		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
			<u>\$</u>	<u>%</u>	
<u>Specified by Activity</u>					
Organizational Management		\$830,357	-\$34,713	-4.2%	Service Reduction
Econ / Comm. Development		\$157,337	-\$34,713	-22.1%	Service Reduction
<u>Unspecified by Activity</u>					
Printing			-\$6,295		Efficiency Measure
Total Reductions			-\$75,720		

Impact on Services

Delayed Hiring of Assistant City Manager	The Assistant City Manager position will be held vacant for part of the 2009 Fiscal Year.
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October 22, 2008

CLERK OF COURTS
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
			<u>\$/FTE</u>	<u>%</u>	
FY 2009 APPROVED BUDGET	\$1,637,190	\$1,637,190	-\$16,929	-1.0%	NA
FY 2009 STAFFING LEVEL	23.0				

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
		<u>\$</u>	<u>%</u>		
<u>Specified by Activity</u>					
Recordation of Land Documents	\$309,313	-\$10,157	-3.3%		Efficiency measures
Public Inquiries	\$113,852	-\$6,772	-5.9%		Efficiency measures
Total Reductions		-\$16,929			

Impact on Services

None

OFFICE OF BUILDING CODE AND FIRE ADMINISTRATION
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$9,443,986	\$7,145,168	-\$277,080	-3.9%	NA
FY 2009 STAFFING LEVEL	84.0		-1.0	-1.2%	

	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Reductions</u>		<u>\$</u>	<u>%</u>		
<u>Specified by Activity</u>					
Inspection of New Structures	\$1,410,403	-\$179,000	-12.7%		Service Reduction
Building & Trade Plan Review	\$693,108	-\$15,000	-2.2%		Service Reduction
Property Maintenance & Fire Prevention	\$1,680,859	-\$5,596	-0.3%		Service Reduction
<u>Unspecified by Activity</u>					
Vacancy Savings		-\$77,484		-1.0	Efficiency Measure
Total Reductions		-\$277,080		-1.0	

Impact on Services

Reduced contract inspection services	Due to the current economy and lower workload, existing staff can handle all work. If economy/workload picks up, no assistance can be provided for special projects.
Reduction of 3rd Party Assistance for Building & Trade Plan Reviews	Due to current economy and lower workload, outside, 3rd party assistance with plan review is not needed. If economy improves, this reduction will result in increased plan review timeframes for customers. In addition, there will be no expedited plan review for sensitive and/or City jobs.
Board Up Program Reduced Scope	Properties requiring board up will be given 48 hours for the property owner to obtain a contractor and secure the property to prevent entry. After 48 hours, if the property has not been boarded, staff will contact the City Board-up Contractor and initiate board up services. If a situation presents an immediate threat to public safety, staff will initiate board up services immediately only to the level which renders the hazard safe to the public. The remainder of the will initiate board up services will be turned over to the property owner to secure within 48 hours.

Vacancies	<p>In general, existing staff can handle current workload caused by a slow economy. If the economy improves and workload increases, the reductions will result in increased plan review timeframes, slower service to customers on the phone and at the counter. In addition, holding open several vacancies will prolong achieving the customer service initiatives approved in the Director's reorganization plan that were to be in place by time the economy improves and workload increases.</p>
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October 22, 2008

COMMUNICATIONS FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$1,389,716	\$1,389,716	-\$57,014	NA
FY 2009 STAFFING LEVEL	10.0			

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>%</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
Internal Services	\$364,500	-\$19,903	-5.5%		Efficiency
Public Information	\$464,727	-\$14,000	-3.0%		Reduction
Public Information	\$464,727	-\$20,000	-4.3%		Efficiency
<u>Unspecified by Activity</u>					
Various Non-Personnel Savings		-\$3,111			Efficiency
Total Reductions		-\$57,014			

Impact on Services

Internal Services - Ending Graphic Artist Contractor Service	At the end of October the department will no longer need a contractor to perform the duties of a graphic artist because the department intends to hire a full time employee for this position. By ending this contract the department will save \$19,903.
Public Information - Publishing 1 Less FYI Alexandria	Similar to the past two years, in FY 2009 the Office of Communications will reduce the production of the FYI Alexandria publication by 1 edition to a total of 3 editions for the year. By not publishing 1 edition of FYI Alexandria the department will save \$14,000 on printing and mailing costs. FYI Alexandria is available to the community on line every day of the year.

Efficiency

Public Information - Reduction of FYI Alexandria and City News Budget	The department has determined that it can produce the FYI Alexandria and City News publications for less than what was originally budgeted in FY 2009. The combined budget for these two activities will be reduced to \$80,000 from \$100,000.
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October 22, 2008

COURT SERVICE UNIT
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>	
FY 2009 APPROVED BUDGET	\$1,635,283	\$1,422,273	-\$24,043	-1.7%	NA	
FY 2009 STAFFING LEVEL	10.2					
<u>Reductions</u>		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>			<u>\$</u>	<u>%</u>		
Gang Prevention and Intervention		\$120,793	-\$24,043	-19.9%		Efficiency measures*
Total Reductions			-\$24,043			
<u>Impact on Services</u>						
None						

* Savings attained through the receipt of a higher than previously budgeted Gang Prevention and Intervention grant.

FINANCE

FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>	
			<u>\$/FTE</u>		
			<u>%</u>		
FY 2009 APPROVED BUDGET	\$9,856,509	\$9,833,109	-\$248,407	-2.5%	NA
FY 2009 STAFFING LEVEL	96.3		-2.1	-2.2%	
<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>	
		<u>\$</u>	<u>%</u>		
<u>Specified by Activity</u>					
Cash management/investment	\$262,816	-\$40,000	-15.2%		Efficiency measures
Delinquent tax collection	\$582,726	-\$31,535	-5.4%	-1.0	Service reductions
Delinquent tax collection	\$582,726	-\$50,000	-8.6%		Efficiency measures
Payment Processing	\$1,305,652	-\$19,000	-1.5%	-0.1	Efficiency measures
Paying and Billing Vendors	\$852,973	-\$18,696	-2.2%		Efficiency measures
Reconciliations	\$528,825	-\$15,000	-2.8%		Efficiency measures
Leadership and Gen'l Management	\$439,150	-\$49,176	-11.2%	-1.0	Service reductions
Taxpayer Assistance/Customer Relations	\$1,034,869	-\$20,000	-1.9%		Efficiency measures
<u>Unspecified by Activity</u>					
Department wide		-\$5,000			
Total Reductions		-\$248,407		-2.1	

Impact on Services

Elimination of Account Clerk II position (Delinquent tax collection)	This position impacts satisfaction with customer service. Less time will be available to assist internal and external customers. Internal customers require analysis and reports that may not be able to be provided as frequently or as timely.
Elimination of Secretary II position	The Finance Administration Secretary supports the general needs of the department. We are currently rotating other staff into this newly vacant position in order to assess what is needed.

FIRE
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$33,573,553	\$31,997,278	<u>\$/FTE</u>	<u>%</u>	
FY 2009 STAFFING LEVEL	247.0		\$0	0.0%	\$50,000

	<u>FY 2009 Budget</u>	<u>Revenue Increase</u>
<u>Revenue Increases</u>		
Ambulance transport fees	\$1,900,000	\$50,000
Total Revenue Increases	\$1,900,000	\$50,000

Revenue Increases

Ambulance transport fees

The Fire Department proposes charging ambulance transport co-payments for all claims not covered by medical insurance. Most medical insurance plans cover a portion of ambulance transport expenses ranging from 50% to 100%. Medicare covers 80%. In Alexandria, some (but not all) residents have secondary insurance that covers the 20% not paid by Medicare. Currently the City bills for only the portion of the fee covered by the primary insurers (and secondary insurers when their information is provided by INOVA Alexandria Hospital). Currently, Fairfax County submits claims to insurers for co-payments, but neither residents nor non-residents are invoiced. In Arlington County, both residents and non-residents are invoiced for all co-payments not covered by insurers. The City's contractor will be able to invoice an additional \$120,000, which will increase City revenues by approximately \$50,000 per fiscal year (the City will continue its practice of "soft billing" for co-payments, especially where payment presents a financial hardship to residents). Citizens having insurance that covers less than 100% of the cost of their ambulance transport, such as Medicare, will receive an invoice for the first time.

October 22, 2008

GENERAL SERVICES
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>	
			<u>\$/FTE</u>		<u>%</u>
FY 2009 APPROVED BUDGET	\$13,334,321	\$13,125,647	-\$339,242	\$37,500	-2.6%
FY 2009 STAFFING LEVEL	73.0		-1.0		-1.4%

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
		<u>\$</u>	<u>%</u>	
<u>Specified by Activity</u>				
Construction Administration	\$541,935	-\$110,000	-20.3%	Efficiency
Contracts Management	\$255,021	-\$80,000	-31.4%	Efficiency
Custodial Services Management	\$809,725	-\$44,500	-5.5%	Service Reduction
Facilities Systems Maintenance	\$1,463,937	-\$18,000	-1.2%	Service Reduction
<u>Unspecified by Activity</u>				
Facilities Maintenance Program		-\$86,742		-1.0 Service Reduction
Total Reductions		-\$339,242		-1.0

<u>Revenue Increases</u>	<u>FY 2009 Budget</u>	<u>Revenue Increase</u>
City Parking Lot Fee Increase	\$1,900,000	\$37,500
Total Revenue Increases	\$1,900,000	\$37,500

Impact on Services

Reduction in Custodial Service at City-owned facilities	This reduction of \$44,500 (5.5%) may result in delays in responses to requests for service and a decline in overall levels of cleanliness at the following facilities: (1) 4480 King Street; (2) Fleet Services; (3) Courthouse; and (4) City Hall. The Department proposes more of an emphasis on the utilization of in-house staff to respond to urgent or emergency custodial requirements, however that may result in less focus in other program areas. The "Percentage of Customers Who Rate Service Provision Satisfactory or Better" performance measure may be affected and would most likely decline if this reduction is accepted.
Reduction of uniformed security services at City Marina during off-season	This reduction of \$18,000 would result in reduced or no coverage from uniformed security services during the winter months (December –February) months.
Maintenance Renovations Inspection Specialist (MRIS) Vacancy	This reduction of \$86,742 would result in delays in response and completion of work at City facilities would be delayed significantly with priority given to urgent or emergency requests. There are currently only five Maintenance Renovations Inspection Specialist (M.R.I.S.) positions approved for the department and this position is vacant which stretches the current resources required to cover and maintain the City's 1.8 million square feet of City-owned facilities. Maintenance Renovations Inspection Specialist (MRIS) salary plus benefits for the entire fiscal year (FY09).

Efficiencies

Reduction in Construction Administration Professional Services	\$110,000 budgeted for professional services in construction administration would be charged to the appropriate Capital Improvement Program (CIP) Capital Project as required. This will allow the department to continue to have oversight over Time and Materials (T&M), Job Order Contracts (JOC) and other contracts, as well as third party estimates and Value Engineering related to the Capital Facilities Maintenance Program (CFMP) and other projects that do not require a full-time Construction Administration (CA) team. This reduction should not affect the performance of the Construction Administration activity as only the funding source will change. The level of performance should remain unchanged.
Reduction in Contract Management Professional Services	\$80,000 budgeted for Professional Services (Contracts Management) would be charged to the appropriate Capital Improvement Program (CIP) Capital Project as required on an individual basis. These monies would continue to provide for procurement support and coordination, as well as professional services required to support and complete administrative tasks that we do not have the qualified staff to perform.

Revenue Increases

Increase in Hourly Rate for Parking Garages	The fees for parking at the City's parking garages would be increased by \$1.00 per hour in five categories. This will provide an additional \$37,500 in parking fee revenue for the remaining 6 months of FY 2009, and increase in FY 2010 of \$75,000.
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HEALTH DEPARTMENT

FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$6,921,499	\$6,921,499	-\$48,070	-0.7%	NA
FY 2009 STAFFING LEVEL	18.3		-1.5	-8.2%	
		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Reductions</u>			<u>\$</u>	<u>%</u>	<u>FTE IMPACT</u>
<u>Specified by Activity</u>					
ADOLESCENT HEALTH CLINIC (freeze two vacant part-time positions)		\$420,495	-\$48,070	-11.4%	-1.5 Reduced Services
Total Reductions			-\$48,070		-1.5

Impact on Services

ADOLESCENT HEALTH CLINIC	Two part-time positions in the Adolescent Health Clinic have been vacant since the beginning of the fiscal year: a 0.75 FTE Therapist III and a 0.75 FTE Nurse Practitioner. The department proposes to leave these 2 part-time positions vacant for the remainder of the year. The Department will conduct a complete program evaluation of the Adolescent Health Clinic to determine the most efficient way to maximize services to youth served by the program. The immediate impact will be to reduce appointments at the Clinic by approximately 600 per year; most of which are for sports and routine physical exams. There were a total of 1,873 appointments, including walk-ins, in FY 2008. Available appointments will be maintained for family planning visits and walk-in care for sexually transmitted infections. The department will work closely with the Department of MHMRSA to make sure urgent mental health needs for adolescents are met.
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HISTORIC ALEXANDRIA**FY 2009 Spending Reduction Plan**

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$3,325,052	\$2,913,392	-\$55,553	\$65,000
FY 2009 STAFFING LEVEL	29.4		-0.3	-1.0%

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE</u>	<u>IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
National Harbor Initiative	\$64,896	-\$25,000	-38.5%	0.0	Reduced services
Gadsby's Tavern	\$546,513	-\$10,000	-1.8%	-0.3	Efficiency measures
Leadership and General Management (Pro. Services)	\$746,908	-\$8,065	-1.1%	0.0	Reduced services
Leadership and General Management (Printing)	\$746,908	-\$700	-0.1%	0.0	Efficiency measures
Archives & Records Management	\$231,016	-\$1,788	-0.8%	0.0	Efficiency measures
Black History Museum (Prof. Services)	\$314,643	-\$3,000	-1.0%	0.0	Reduced services
Fort Ward (Prof. Services)	\$359,455	-\$5,000	-1.4%	0.0	Reduced services
Alexandria Archeology (Prof. Services)	\$548,385	-\$2,000	-0.4%	0.0	Reduced services
Total Reductions		-\$55,553		-0.3	

<u>Revenue Increases</u>	<u>FY 2009 Budget</u>	<u>Revenue Increase</u>
Lyceum (Site Rental)	\$46,393	\$50,000
Lloyd House (Site Rental)	\$7,438	\$5,000
OHA Donations	NA	\$10,000
Total Revenue Increases	\$53,831	\$65,000

Impact on Services

Reduction in number of paid street performers related to the National Harbor Initiative	Reduction in number of performances using paid Performers/Street Characters only during times of peak tourist activity for remainder of FY2009, and FY 2010. OHA will attempt to offset this reduction utilizing current and expanded base of volunteers, and seek grants and gifts to support the program in the future.
Reduced Leadership and General Management workload capacity	OHA Admin-Professional Services funds are utilized to retain the services of professionals associated with specific research, design, or production services related to general OHA projects or activities. These funds are also used to support activities within specific museums for which funds would otherwise not be available (i.e.- Research on Freedmen's Cemetery, support of major exhibits.) Although a reduction of funds will result in a direct reduction of services, OHA will attempt to offset the reduction through increased grants and gifts or new/increased revenue sources.
Reduced capacity for various museum sites to outsource projects, such as special research or production of exhibits.	Fort Ward, Alexandria Black History Museum, and Archaeology Museum Professional Services funds are utilized to retain the services of professionals associated with specific research, design, or production services related to museum projects, exhibits or activities. Although a reduction of funds will result in a direct reduction of services, OHA will attempt to offset the reduction through increased grants and gifts or new/increased revenue sources.

Efficiency Measures

Reduction and delay of administrative activities at Gadsby's Tavern.	Delay in filling Secretary I position. This will increase workload on other museum staff and result in a reduction/delay of necessary administrative tasks at one of OHA's most active facilities.
Reduced cleaning schedule at the Archives and Records facility	Archives & Records has proposed a reduction in cleaning services from weekly to bi-weekly. Although this is a service reduction, the facility has maintained a bi-weekly cleaning schedule in past years that met archival standards. The storage facility is not generally open to the public; there should be minimal perception of a service reduction.

OFFICE OF HOUSING
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$9,049,212	\$3,830,815	-\$157,160	-4.1%	NA
FY 2009 STAFFING LEVEL	18.5				
		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Reductions</u>			<u>\$</u>	<u>%</u>	<u>FTE IMPACT</u>
<u>Specified by Activity</u>					
Lending		\$2,706,515	-\$62,330	-2.3%	Service Reduction
Financing & Loan/Grant Management		\$1,091,370	-\$67,108	-6.1%	Efficiency Measure
<u>Unspecified by Activity</u>					
Housing Analyst & Secretary II			-\$27,722		Efficiency Measure
Total Reductions			-\$157,160		

Impact on Services

Reduction in dedicated real estate revenue available for general affordable housing initiatives	<p>This \$62,330 reduction will be taken from the General Fund match for the HOME grant. The reduced grant match will then be replenished by the dedicated real estate tax revenue. This option enables the dedicated real estate revenues to still be used for affordable housing initiatives (HOME match), while reducing the overall General Fund operating budget for the Office of Housing.</p> <p>This reduction option has two potential impacts on service levels. If the dedicated revenues were used as a current year cash, the City would not be able to finance one (1) affordable housing unit for the year. If the dedicated revenues were used to pay debt service on affordable housing bonds, the overall bonding capacity would be reduced by approximately \$0.8 million.</p>
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Efficiency Measure

City Costs shifted to Community Development Block Grant (CDBG) funds	Due to the reassessment of CDBG-eligible staff costs, there are several places where Housing staff time can be charged to CDBG funds instead of the City's General Fund. These reallocations result in an FY 2009 savings of \$67,108 and would have marginal impact on service levels in the Home Rehabilitation Loan Program (i.e., reduction of one loan).
Delay in filling positions	Housing can delay filling a Housing Analyst position and a Secretary II position until early CY 2010. This action will result in a savings of \$27,722 in FY 2009 and would have marginal impact on service levels.

HUMAN RIGHTS

FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$691,695	\$648,845	-\$5,797	-0.9%	NA
FY 2009 STAFFING LEVEL	6.0		0.00	0.0%	

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
Outreach Training & Referral	\$95,651	-\$2,450	-2.6%		Service Reduction
Complaint Resolution	\$312,418	-\$1,000	-0.3%		Service Reduction
Disability Rights	\$203,280	-\$2,001	-1.0%		Efficiency Measure
Assessment & Collaboration	\$80,346	-\$346	-0.4%		Service Reduction
Total Reductions		-\$5,797			

Impact on Services

Reduced level of service in the area of Outreach Training and Referral	The paid intern program will be mostly eliminated. This will reduce additional support for investigators and the disability rights coordinator. Training events will be cut; community initiatives will be delayed, and summer personnel back-up will be eliminated.
Reduced level of service in the area of Complaint Resolution	The paid intern program will be mostly eliminated. This will result in a reduction of the number of EEOC cases closed during the fiscal year from 75 to 65 cases closed.
Reduced level of service in the area of Assessment & Collaboration	Fewer collaborations will occur during the fiscal year.

DEPARTMENT OF HUMAN SERVICES
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$56,677,678	\$28,610,168	-\$548,535	-1.9%	\$29,350
FY 2009 STAFFING LEVEL	242.4				

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
Homeless Shelter	\$1,461,874	-\$78,580	-5.4%		Service Reduction
General Relief	\$317,312	-\$27,897	-8.8%		Service Reduction
Non-mandated CSA - Services for Youth Who are Court-Involved, Truant or Have Mental Health Needs	\$99,242	-\$29,349	-29.6%		Service Reduction
Companion Services	\$2,155,818	-\$75,928	-3.5%		Service Reduction
Child Welfare Program - multiple activities	\$11,035,807	-\$81,257	-0.7%		Service Reduction
Transportation (Bus Trips)	\$594,024	-\$38,600	-6.5%		Service Reduction
Transportation (Senior Taxi)	\$594,024	-\$37,552	-6.3%		Service Reduction
Child Care Assistance	\$5,553,118	-\$95,000	-1.7%		Service Reduction
Adult Employment	\$724,165	-\$26,150	-3.6%		Service Reduction
Youth and Adult Employment	\$2,881,675	-\$1,750	-0.1%		Service Reduction
Multicultural Services	\$297,293	-\$5,000	-1.7%		Efficiency
Child Welfare Program - multiple activities	\$11,035,807	-\$8,438	-0.1%		Service Reduction
Out of School Time Services	\$2,087,534	-\$10,534	-0.5%		Efficiency
Youth and Adult Employment Efficiencies	\$2,881,675	-\$32,500	-1.1%		Efficiency
Total Reductions		-\$548,535			

<u>Revenue Increases</u>	<u>FY 2009 Budget</u>	<u>Revenue Increase</u>
Sublease at 2 Herbert Street to ACPS	\$0	\$29,350
Total Revenue Increases	\$0	\$29,350

Impact on Services

Homeless Shelter - Emergency Shelter Fund	The Emergency Shelter Fund provides a safety net of funds to prevent eviction and loss of utilities. In addition to emergency needs, the funds are also used for the City's indigent and "unclaimed body" burial program, and for limited medical safety concerns such as emergency prescription medication. Based on 1st quarter spending, with the budget cut of \$78,580, the funds will be exhausted and no further assistance under this program will be available after February or March 2009. Alternatively, DHS may budget the remaining funds on a monthly basis and end assistance halfway through each month.
General Relief - Interim Assistance Program	This reduction would reduce the amount available for interim and emergency relief to clients. The interim assistance portion services clients that have a physical or mental disability that a Doctor certifies will last 12 months or more, but the nature of the disability does not rise to the level necessary for Social Security disability. Another portion of the General Relief Program helps unattached minors (children who are not related to their caregivers and therefore not eligible for Temporary Aid to Needy Families (TANF)). The last component is short term emergency assistance for rent and utilities. The \$27,897 reflects the general fund costs which represents 23 percent of the service costs. The reduction of \$27,897 results in a \$74,392 reduction in services, since the state funds would be unavailable.
Non-Mandated Comprehensive Services Act Services	These funds serve youth placed by a juvenile and domestic court in a residential or non-residential facility or service/treatment program; youth committed to the Department of Juvenile Justice and placed out of his/her home; youth receiving treatment through the Community Services Board and who are not Individualized Education Program students and are not open to the Division of Social Services; and all other Comprehensive Services Act (CSA) eligible youth who are not mandated to receive services. It should be noted that these funds have been underspend for the past 5 years. However, Judges could decide to order some to these services or some children could be deemed "eligible" for mandated foster care prevention services, and this would require the CSA program to pick up the costs in "mandated programs." ACPMT voted to cut \$54,450 in service, which results in a \$29,349 reduction to the general fund.
Companion Services	This reduction would reduce companion services by 3.5%. The savings would be achieved by reducing the hours of services provided to the 41 clients receiving 20 hours of companion care to the current maximum of 15 hours. Staff will assess the impact on the clients and recommend additional usage of the Adult Day Health Center, which is underutilized.
Child Welfare Services - Attorney Fees	DHS will enforce the agreed upon cap for child welfare attorneys contracted from the City Attorneys Office. The previous cap was \$88,000. Charges has been nearly double that amount. The City Attorneys Office will be limited to the \$88,000 amount for contracted attorneys and it may need to increase the caseloads for inhouse attorneys to meet the demand if that amount is exceeded.
Transportation - Bus Trips	Senior transportation services will be reduced. Aging and Adult Services staff currently provides approximately 3,000 one-way bus trips per year. Grocery trips will be consolidated and there will be fewer bus trips provided each week saving \$38,600.

Transportation - Senior Taxi	Senior transportation services will be reduced by \$37,552. Based on a cost per one-way trip of \$16.75, this reduction will result in approximately 2,242 fewer trips. DHS and Senior Services, the organization that handles the reservation service for the senior taxi program, will work together to minimize the impact to seniors of this reduction, including maximizing the fee revenue from those clients how are most able to pay.
Child Care Assistance - Crisis Child Care	The Crisis Child Care Program provides child care for parents of children in the shelter, while they look for work, take employment tests or work while awaiting a space in the fee system. The \$95,000 reduction would result in the end of this program in December or January based on current experience. There are currently 13 children receiving services, and services are limited to 30-days. Alternatively, to extend the availability of the program childcare services could be limited to 14 days, but some child care providers are not as willing to take "short-term" children.
Youth and Adult Employment - After Hours Employment Activities - Security costs	JobLink services would only be available during normal working hours. Parents bringing family information for youth participants in summer employment would have to come during normal working hours. The underemployed and working poor clients would have limited opportunities to take advantage of JobLink services.
Youth and Adult Employment - Efficiencies	Reductions in the janitorial contract, advertising, subscriptions, maintenance will achieved. Youth employment transportation costs will be shifted to a donations account. Some Adult Employment IT costs will be shifted to the TANF Employment Advancement Grant.
Child Welfare Services - Interjurisdictional Case Review	Since June of 2001, as part of the child welfare reform, DHS has been paying for professional services to assist in interjurisdictional case reviews. Arlington and Fairfax have now both decided to not continue this practice, citing their own quality assurance process needs. In place of this practice, Alexandria will begin treatment team meetings on foster care cases, inviting all interested parties. In addition an internal case review process will continue. At this time we think we can meet the intent of the reforms without outside professional services.

INFORMATION TECHNOLOGY SERVICES **FY 2009 Spending Reduction Plan**

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$8,107,566	\$7,342,566	-\$301,230	NA
FY 2009 STAFFING LEVEL	48.5		-0.6	-1.2%

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>	<u>IMPACT</u>
Equipment Replacement	\$823,677	-\$200,000	-24.3%	reduced services
Applications Support	\$1,991,272	-\$50,000	-2.5%	efficiency measure
Applications Maintenance	\$1,991,272	-\$51,230	-2.6%	reduced services
Total Reductions		-\$301,230		-0.6

Impact on Services

Equipment Replacement Program reduction	The department will be able to reduce the number of computers replaced in FY 2009 from 420 to 320 units. The service impacts of this reduction should also be negligible – the hardware that would be up for replacement is adequate for the needs of most users. The reduction in the number of PC's replaced should save the department and the City at least \$200,000.
Support for Document Imaging Applications - Computer Programmer Analyst II Frozen	<p>The service impact of this reduction would be increased wait times for technical support and assistance with document imaging applications. Urgent questions will be forwarded to the vendor for resolution; others will have to wait until resources become available.</p> <p>This reduction is likely to impact the service quality measures for the Application Support/Programming Activity, specifically the number of respondents rating ITS applications programming support as good to excellent.</p>

Efficiency Measure

Reduction in AJIS Application Support	The department will be able to reduce the amount available for AJIS programming in the CIP by \$50,000. The AJIS CIP account has adequate funding to accommodate this change in FY 2009. This action will have only marginal impact on programming needs. The overall cash capital contribution to the CIP for the General Fund will be reduced by \$50,000 accordingly.
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October 22, 2008

INTERNAL AUDIT
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
			<u>\$/FTE</u>	<u>%</u>	
FY 2009 APPROVED BUDGET	\$239,606	\$239,606	-\$1,161	-0.5%	NA
FY 2009 STAFFING LEVEL	2.0				
		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>
<u>Reductions</u>			<u>\$</u>	<u>%</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>					
Audits		\$239,606	-\$1,161	-0.5%	Reduced service
Total Reductions			-\$1,161		

Impact on Services

Contracted-out audits	The reduction will reduce the number of contract hours available for proposed audits during the fiscal year.
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October 22, 2008

ALEXANDRIA LIBRARY
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>	
			<u>\$/FTE</u>	<u>%</u>		
FY 2009 APPROVED BUDGET	\$7,610,690	\$7,205,135	-\$295,593	-4.1%	NA	
FY 2009 STAFFING LEVEL	81.9		-1.6	-2.0%		
		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>	
<u>Reductions</u>			<u>\$</u>	<u>%</u>		
<u>Specified by Activity</u>						
Barrett Branch (Security Guards)		\$1,114,834	-\$32,453	-2.9%	Service Reduction	
Barrett Branch (Closed Sundays)		\$1,114,834	-\$18,365	-1.6%	Service Reduction	
Beatley Central (Security Guards)		\$2,739,029	-\$33,441	-1.2%	Service Reduction	
Burke Branch (Security Guards)		\$707,858	-\$16,208	-2.3%	Service Reduction	
Duncan Branch (Security Guards)		\$922,950	-\$16,208	-1.8%	Service Reduction	
<u>Unspecified by Activity</u>						
Additional Vacancy Savings			-\$100,000		-1.6	Efficiency Measure
Materials Budget			-\$78,918			Service Reduction
Total Reductions			-\$295,593		-1.6	

Impact on Services

Reduced Security Guard Hours	<p>For the remainder of FY09 security services will be reduced by 96% from 104 hours per week to 5 hours per week. The mostly eliminated presence and support of a uniformed officer, will affect staff morale, which is already low due to the threat of budget cuts and the soft hiring freeze. The security guard reduction will also negatively impact the sense of security felt by both staff and patrons. Actual services provided by the library will not be affected, except as they are impacted by the diminishing staff morale and staff time spent dealing with various incidents.</p> <p>The Library will consider rotating the guards among the branches if the guard service is able to accommodate. The Library estimates that on average the Alexandria Police Department are called once or twice a month at each facility resulting in an estimate of between 4 and 8 calls per month for the entire system. There may be clusters of calls within a one or two month time period, followed by a few months with no calls. The Library estimates that calls to the police department could double or even triple.</p>
Closure of Sunday service at Barret Branch (Queen St.) Sunday Service only at Beatley.	<p>Sunday service at Barrett Library originated from the need to have a library open on Sundays during Beatley Central's construction. Continued service at the Barrett Branch has not proven cost effective. On Sunday the Barret branch is operated by a mix of designated Sunday staff members and rotating regular staff from the Library's six divisions. These rotating staff members are rarely familiar with the specific layout of the Barrett Branch, and may even be individuals who do not directly serve the public in their regular duties. The Library could provide better service to patrons by consolidating efforts and only opening Beatley on Sundays. Savings would be realized through a reduction in utilities, building maintenance costs, and payroll; and efficiencies would be gained by not providing staffing to two facilities. Overall, the quality of Sunday service, would be greatly enhanced, as would the service provided during the remainder of the week.</p>
Increased wait time for new best seller books, new book requests, and non-traditional media materials.	<p>Reducing the materials budget by 7.3% from \$575,325 to \$496,407 would prevent the library from purchasing as many new materials. This may cause many patrons to go to other jurisdictions to get their items. Alexandria Library historically has been able to honor book suggestions received from its patrons 97% of the time. The numbers of future book recommendations made by patrons which can be filled will decrease. The Library has recently begun to focus on providing material for the non-traditional library user, i.e. eBooks, downloadable audiobooks, etc. The Library will receive complaints when unable to provide additional new titles in these collections.</p>

OFFICE OF MANAGEMENT AND BUDGET
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$1,183,001	\$1,183,001	-\$48,533	-4.1%	NA
FY 2009 STAFFING LEVEL	11.0		-0.7	-6.1%	

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
Budget Development and Presentation	\$717,730	-\$24,909	-3.5%	0.4	reduced services
Budget Implementation and Monitoring	\$302,389	-\$10,494	-3.5%	0.2	reduced services
Management Improvement and Long Range Financial Analysis	\$162,882	-\$5,653	-3.5%	0.1	reduced services
<u>Unspecified by Activity</u>					
Training, Conferences and Travel		-\$3,700			efficiency measures
Photocopying		-\$3,777			efficiency measures
Total Reductions		-\$48,533		0.7	

Impact on Services

Scaled Back Managing for Results Initiative	One full-time vacant Budget Management Analyst II position will be held open for at least 14 pay periods. As a result OMB will have to scale back several management improvement initiatives related to performance measurement, including participation in the International City/County Management Association (ICMA) performance measurement Virginia consortium project, researching other jurisdictions performance measures, postponing the development of a central performance measures database, eliminating OMB involvement in the next round of business plan development efforts, and reducing the frequency of performance measure reporting during the year by the departments to the CMO.
Deemphasize CIP Phased Review Process	The reduction in staffing will require deemphasizing the implementation of the phased review process for major CIP projects and life cycle costing.
Forego Long Range Forecast Model Improvements	The reduction in staffing will require foregoing improvements to the long range budget forecast model
Transfer Maintenance of Transportation Funding Sources and Uses Table	The reduction in staffing will require OMB to turn over maintenance of the Transportation Funding Sources and Uses table to the Department of Transportation and Environmental Services to maintain as best as it can given its budget reductions.

MENTAL HEALTH, MENTAL RETARDATION & SUBSTANCE ABUSE **FY 2009 Spending Reduction Plan**

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$30,864,680	\$18,131,822	-\$445,408	-2.5%	NA
FY 2009 STAFFING LEVEL	355.9		-9.0	-2.5%	
		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Reductions</u>			<u>\$</u>	<u>%</u>	<u>FTE IMPACT</u>
<u>Specified by Activity</u>					
MH Residential - Safe Haven		\$3,090,388	-\$258,424	-8.4%	-9.0
Substance Abuse Residential		\$1,020,834	-\$138,312	-13.5%	Efficiency (one-time)
Adult MH Medication Service		\$1,353,604	-\$48,672	-3.6%	Service Reduction
Total Reductions			-\$445,408		-9.0

Impact on Services

Substance Abuse Residential Services	<p>The Department contracts with service providers for residential substance abuse treatment. During FY 2008, 36 consumers received 2,714 days of treatment. The Department has frozen new placements, and the projected available balance for the remainder of FY 2009 is \$138,312. Substance abuse residential contracts were selected for reduction because they are a controllable expense and consumers will continue to receive other services from the Department. Reductions for FY 2010 are undetermined at this time because the Department is developing reduction options for review and approval by the CSB that cover both City and State reductions.</p>
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Adult Mental Health Medication Services	The FY 2009 budget includes \$160,632 for contract psychiatrists. One of the contract positions is vacant. This 12-hour per week vacancy costs \$48,672. By freezing this vacant position for the remainder of FY 2009, consumers will continue to be served, but this may increase the wait time for psychiatric assessments and medication management. 300 fewer service hours will be provided on an annual basis. Reductions for FY 2010 are undetermined at this time because the Department is developing reduction options for review and approval by the CSB that cover both City and State reductions.
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Efficiencies

Safe Haven	Renovations are in process and it is not anticipated staff will be hired during FY 2009. The amount of \$258,424 is the sum of local and State funding allocated for the project this fiscal year. (Note: The State revenue can be shifted to other service areas, which will reduce General Funds needed to support other activities; the Dept. has not yet identified these specific areas.) Safe Haven is staffed with 10.0 FTEs. One position is filled to help with the design and programming. The other 9.0 FTEs can remain vacant. <u>THE SAFE HAVEN SAVINGS ARE ONE-TIME.</u> FY 2010 will require a full twelve months of funding.
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October 22, 2008

NON-DEPARTMENTAL
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>
			<u>\$/FTE</u> <u>%</u>	
FY 2009 APPROVED BUDGET	\$48,767,763	\$48,767,763	-\$3,333,622 -6.8%	432,060
FY 2009 STAFFING LEVEL	NA		NA NA	

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
		<u>\$</u> <u>%</u>		
<u>Specified by Activity</u>				
Debt Service (Restructured July 2008 Bond Issue)	\$33,384,257	-\$1,483,622 -4.4%		efficiency measures
Cash Capital	\$4,917,687	-\$1,850,000 -37.6%		service reduction

<u>Revenue Increases</u>	<u>FY 2009 Budget</u>	<u>Revenue Increase</u>
Environmental Settlement Revenues	\$0	\$432,060
Total Revenue Increases	\$0	\$432,060

Total Reductions **-\$3,333,622**

Efficiency Measures

Debt Service	Because of the changed repayment structure of bonds issued in July of 2008, a decrease in the estimated debt service costs of \$1.5 million is possible.
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Impact on Services

Cash Capital Reduction to CIP	This reduction eliminates almost all of the cash capital contribution to the CIP from current (FY 2009) revenues except for the cash capital contribution for open space (\$2.0 million) and vehicle registration fee income (\$0.7 million). City staff will provide Council at a later date with the particular projects to be affected.
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Revenue Increases**Environmental Settlement Revenues**

Reallocated revenues available as a result of an environmental settlement are being used as follows: \$71,000 for Eco-City initiatives as approved by Council on October 14, 2008; \$125,000 for industrial use study (see Planning and Zoning spending reduction plan); and the remaining \$432,060 would be appropriated to the General Fund.

October 22, 2008

PERSONNEL SERVICES
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$3,427,143	\$3,421,143	\$134,230	NA
FY 2009 STAFFING LEVEL	24.6			

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>				
Employee Training and Relations	\$694,399	-\$38,000	-5.5%	Service Reduction
Benefits and Records	\$875,488	-\$36,500	-4.2%	Service Reduction
Recruitment and Selection	\$539,625	-\$5,000	-0.9%	Service Reduction
<u>Unspecified by Activity</u>				
Vacancy Savings		-\$54,730		Efficiency
Total Reductions		-\$134,230		

Impact on Services

Employee Relations and Training - Mindleaders	<p>Mindleaders is an online employee training program that allows employees and supervisors take a wide array of online work related courses. Other limited employee training is also conducted by trainers onsite. This will be eliminated for the remainder of FY 2009 saving \$8,000.</p> <p>Performance measure: Average score of employees satisfied with the City's training opportunities. FY08 score was 3.46 on a 5.0 scale where 5.0 means extremely satisfied. This score may be lowered as an impact of this reduction of service.</p>
Employee Relations and Training - City-wide Training	<p>City-wide training includes wide curriculum of outsourced training for employees. This activity will be reduced by \$30,000 from \$125,011 and result in a reduced amount of training being available to employees. Basic training or mandated training will still be provided.</p> <p>Performance measure: Average score of employees satisfied with the City's training opportunities. FY08 score was 3.46 on a 5.0 scale where 5.0 means extremely satisfied. This score may be lowered as an impact of this reduction of service.</p>

Benefits and Records - Weight Watchers	<p>Weight Watchers is a health and weight loss program for employees. Currently the City pays 75% of participants registration fee but at the beginning of the next enrollment cycle this percent will be reduced to 50%. This will result in a savings for the City of \$4,900.</p> <p>It is expected that the score of employees satisfied with the City's efforts to promote health and wellness will be lower. FY08 score was 3.8 on a scale from 1 to 5 (five meaning extremely satisfied).</p>
Benefits and Records - Advanced Health Screenings	<p>Advanced health screenings, also known as cardiovascular screenings, are conducted once per year and paid for by the City. The screenings will not be conducted in FY 2009 which will result in a savings of \$19,600.</p> <p>It is expected that the score of employees satisfied with the City's efforts to promote health and wellness will be lower. FY08 score was 3.8 on a scale from 1 to 5 (five meaning extremely satisfied).</p>
Benefits and Records - Wellness	<p>Personnel Services is reducing the funds available in the Wellness OCA by \$10,000 in FY 2009 from \$100,000. The department will still provide limited wellness activities for employees with the funding available after this reduction.</p>
Benefits and Records - Service Awards	<p>The Service Awards is an annual employee recognition program. Personnel Services will reduce funding for this activity by \$2,000 from \$68,000 and is exploring the idea of merging this event in FY 2010 with the annual employee picnic.</p>
Recruitment and Selection - Advertising	<p>Funding for job advertising will be reduced in FY 2009 by \$5,000 from \$25,000. The reduction will mainly impact spending on print advertising.</p>

Efficiency Measure

Vacancy Savings	<p>Personnel Services' budgeted vacancy savings for FY 2009 is \$50,569. The estimated vacancy savings based on 4 vacant positions will be \$193,523. In order to meet their reduction target the department proposes increasing their vacancy savings by \$54,730, from \$50,569, to \$105,299.</p>
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PLANNING & ZONING
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>%</u>	<u>REVENUE INCREASE</u>	
FY 2009 APPROVED BUDGET	\$6,531,751	\$5,923,408	-\$118,010	-2.0%	\$125,000	
FY 2009 STAFFING LEVEL	53.5					
			<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Reductions</u>		<u>FY 2009 Budget</u>	<u>\$</u>	<u>%</u>		
<u>Specified by Activity</u>						
Neighborhood & Community Development Program		\$1,884,079	-\$118,010	-6.3%		Reduced Services
Total Reductions			-\$118,010			
		<u>FY 2009 Budget</u>			<u>Revenue Increase</u>	
<u>Revenue Increases</u>						
Funding Industrial Uses Study with Jiffy Lube Settlement Funds		\$0			\$125,000	
Total Revenue Increases		\$0			\$125,000	

Impact on Services

Postpone Start-Up of Beauregard Small Area Plan (Neighborhood & Community Development Program)	The start up of the Beauregard Small Area Plan work will be delayed for up to 6 months. The delay may be less than 6 months. Federal and/or private funds would be sought for planning efforts in order to not have to delay this plan by 6 months.
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October 22, 2008

POLICE DEPARTMENT
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$55,492,379	\$53,502,272	-\$586,402	-1.1%	NA
FY 2009 STAFFING LEVEL	465.2		-4.0	-0.9%	

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
Special Response Unit	\$996,377	-\$66,911	-6.7%	-1.0	efficiency measures
Traffic & Parking	\$4,583,024				
Hack (Taxi) Inspection		-\$63,069	-1.4%	-1.0	efficiency measures
Gridlock Reduction Program		-\$100,000	-2.2%		reduced services
School Resource Officers	\$823,087	-\$70,711	-8.6%	-1.0	reduced services
Domestic Violence Unit	\$819,924	-\$70,711	-8.6%	-1.0	reduced services
Information Technology Management	\$1,835,140				
Mobile Data Browser Depreciaton		-\$155,000	-8.4%		efficiency measures
Crime Scene Investigations	\$1,819,124				
NOVARIS (fingerprint database) fees		-\$10,000			efficiency measures
<u>Unspecified by Activity</u>					
Travel and Training		-\$20,000			efficiency measures
Telecommunications		-\$20,000			efficiency measures
Uniforms		-\$10,000			efficiency measures
Total Reductions		-\$586,402		-4.0	

Impact on Services

Minnie Howard School Resource Officer	The School Resource Officer at Minnie Howard 9th Grade Center will be transferred back to Patrol. The department will reduce budgeted sworn strength by 1 Police Officer I and will reduce the need to hire one new recruit for patrol as a result of this reduction. This reduction will result in fewer student contacts between police and students at this school. However, any calls for service from the school will be handled as important calls, in accordance with standard Police procedures and policies. No public safety impact is expected from this reduction. Police will retain the other 4 SROs at T.C. Williams and the two middle schools.
Domestic Violence Unit	The Domestic Violence Intervention Program was originally funded with Federal grants beginning in the mid 1990's, and was comprised of 2 officers, later expanded to 5 personnel. A supervisor and additional detective were added in the early 2000's for a total of 7 staff. Under this reduction one officer will be transferred to Patrol. The department will reduce budgeted sworn strength by 1 Police Officer I and will reduce the need to hire one new recruit for patrol as a result of this reduction. This reduction will result in fewer services to victims in cases involving no arrest. All domestic violence cases are investigated, and any calls for service involving domestic violence incidents are handled as important calls, in accordance with standard Police procedures and policies. No public safety impact is expected from this reduction.
Gridlock Reduction Program	The Gridlock Reduction Program (GRIP) would be eliminated. This program provides \$150,000 annually in overtime to post police officers at 7 key intersections in the City to prevent traffic gridlock during evening rush hours. According to the Police Department, the elimination of this program will have a marginal negative impact on traffic congestion in the City of Alexandria.

Efficiencies

Hack (Taxi Cab) Inspector	A vacant Hack (taxi cab) Inspector position will be eliminated. This position has been vacant for 2 years and its elimination is not expected to result in a service impact.
Special Response Unit Officer	The Special Response Unit provides rapid response to crimes, incidents, or emergencies and coordinates homeland security matters. The Special Response Unit will be reduced from 9 to 8 officers, and one veteran officer who has now completed implementing some special projects will be transferred to patrol. There will be no impact on street operations with this program reduction.

REAL ESTATE ASSESSMENTS**FY 2009 Spending Reduction Plan**

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$1,635,473	\$1,635,473	\$0	0.0%	\$75,000
FY 2009 STAFFING LEVEL	16.0				

	<u>FY 2009 Budget</u>	<u>Revenue Increase</u>
<u>Revenue Increases</u>		
Review of unreported construction additions related to the flyover program	\$0	\$75,000
Total Revenue Increases	\$0	\$75,000

Revenue Increases

Appraiser II position

The City expects to gain revenue of \$75,000 based on appraiser review of Change Finder information. Change Finder is related to the flyover program which allows the Real Estate Department to identify previously unreported construction additions. It is unknown how many permit finds will actually have three year prior assessments and taxes due. The Appraiser II position necessary to perform a review (budgeted in FY 2009) currently is on hold due to the soft hiring freeze.

RECREATION, PARKS & CULTURAL ACTIVITIES

FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
FY 2009 APPROVED BUDGET	\$21,689,882	\$20,762,112	-\$836,098	-4.0%	\$16,000
FY 2009 STAFFING LEVEL	200.8		-4.0	-2.0%	

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
Leadership and General Management	\$1,791,292	-\$66,000	-3.7%		Efficiency Measure
IT Management	\$342,818	-\$24,088	-7.0%		Efficiency Measure
Park Ops. & Facility Maint.	\$5,760,376	-\$145,773	-2.5%	-4.0	Service Reduction
Park Ops. & Facility Maint. (Court Offenders)	\$2,589,182	-\$30,000	-1.2%		Efficiency Measure
Recreation Center Maintenance	\$2,589,182	-\$74,804	-2.9%		Efficiency Measure
Youth Recreation	\$4,269,917	-\$104,612	-2.4%		Service Reduction
Youth Recreation (Efficiency Measure)	\$4,269,917	-\$104,612	-2.4%		Efficiency Measure
Adult Recreation	\$613,798	-\$30,105	-4.9%		Service Reduction
Adult Recreation (Efficiency Measure)	\$613,798	-\$30,105	-4.9%		Efficiency Measure
Cultural Operations (Film Festival)	\$1,586,270	-\$10,000	-0.6%		Service Reduction
Cultural Operations	\$1,586,270	-\$97,000	-6.1%		Efficiency Measure
Community Outreach & Education	\$359,850	-\$15,000	-4.2%		Efficiency Measure
Volunteer Resources	\$223,280	-\$13,000	-5.8%		Efficiency Measure
<u>Unspecified by Activity</u>					
Reduction in Equipment Replacement Fund		-\$75,000			Efficiency Measure

Total Reductions		-\$820,098		-4.0	
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	<u>FY 2009 Budget</u>	<u>Revenue Increase</u>
<u>Revenue Increases</u>		
Youth Recreation (Summer Camps)	\$149,000	\$5,000
Cultural Opportunities	\$0	\$11,000
Total Revenue Increases	\$149,000	\$16,000

Impact on Services

Reduced mowing schedule & reduced response time to non-essential service calls.	<p>A reduction in service will be seen due to the additional vacancy factor that is being offered by the Department. in this area. The result will be longer maintenance intervals between grass cutting, trash pick up, and responding to service calls for park and facility repairs.</p> <p>The trash pick-up reduction will not affect primary parks or tourists areas; some pocket and other small parks will have a once a week pick-up schedule as opposed to the current twice a week.</p> <p>The equivalent of 120 hours per week lost in FTE will impact mowing cycles by five days across the City, see below for breakdown:</p> <p><u>Primary Parks/Waterfront</u>: will not be affected</p> <p><u>Major Athletic Fields</u>: mowed 2 -4 times per week would be mowed 1 - 2 times per week</p> <p><u>City Right of Way</u>: mowed every 7-10 days would be mowed every 10-14 days</p> <p><u>Open space</u>: mowed every 10- 14 days would be mowed every 14-30 days</p> <p>In addition, repairs of mowers and maintenance equipment will be delayed one or two weeks by the reduction of mechanic FTE vacancy of 40 hrs per week and this will impact the ability of completing repairs on time.</p>
Reduced Level of Service with Youth Recreation Activity	<p>Approximately 50% or \$104,612 of the \$209,224 reduction in youth activities will impact services. Baseball equipment supply expense for ages 9-16 will now be covered by Alexandria Little League, Youth basket ball timers will now be volunteers vs. paid staff, the reduction is also an elimination of enhancements and enrichments to programs such as center purchased food, arts and crafts/decorations, using vans in place of school busses for trips to Six Flags.</p>
Reduced Level of Service with Adult Recreation Activity	<p>Approximately 50% or \$30,105 of the \$60,210 reduction in adult recreation will impact services. Reduced hours of operation at Chinquapin Center by 7 hours per week. Seasonal employee reduction will eliminate current scheduled last hour of business Monday - Sunday which now averages an extremely low use rate of 2 visitors per night. Some programs will be modified to move Adult sports leagues to reduced schedule of games and change field monitoring methods to seasonal staff vs. benefit part time positions. Additional use of self-supporting contracted out programs will also be utilized to achieve savings.</p>
Arts & Marketing Film Festival Support	<p>\$10,000 for eliminating base funding for Arts & Marketing Film Festival. Sponsorship will be sought to cover the expenses created by the City expenditure.</p>

Efficiency Measures

IT Internal System Maintenance Decreased	Support of Internal Department IT initiative and maintenance of current system will be reduced to cover decreased funding level. No impact expected for public internet site. Will reduce internal service levels to rest of Department.
Reduction of use of overtime expenditure for the use of court system assigned park clean-up workers and response to nonessential weekend calls.	Currently, 2 staff members are required to work each weekend to support this activity. This results in an average of 40 hours of overtime per month. Roughly 6 full time staff rotate this duty throughout the month. The court program requires a full time staff supervisory staff member to supervise the workers. The \$30,000 is the reduction in overtime budget assigned to court system offenders. The Rec. Department is looking into continue utilizing court system offenders without paying overtime.
Youth Recreation decrease in various non-personnel expenses.	Approximately 50% or \$104,612 of the \$209,224 reduction in youth activities will come from efficiency measures consisting of a reduction in operating area budget related to: staff uniforms, training, travel, temp. services, contractors, food supplies, increased position vacancy factor.
Adult Recreation decrease in various non-personnel expenses.	Approximately 50% or \$30,105 of the \$60,210 reduction in adult recreation activities is from efficiency measures consisting of a reduction in operating and office supplies, uniforms, training and travel, printing and operational supplies, temp services, and contract expenses.
Reduction in Equipment Replacement Fund	The department will forgo replacing the mobile-stage in FY 2009. The department will be examining the need to replace this equipment in the future or shift to renting similar equipment on an as needed basis.

Revenue Increases

Youth Recreation (Summer Camps)	Revenue increase for projected new contracted summer camps for youth sports soccer, baseball, football, lacrosse, and field hockey.
Cultural Opportunities	Rentals at Durant Center for weddings. Marketing of the Center for weddings has begun with wedding sites and electronic marketing will be used to reach patrons who desire a local site for their weddings.

October 22, 2008

SHERIFF'S OFFICE
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>		<u>REVENUE INCREASE</u>
			<u>\$/FTE</u>	<u>%</u>	
FY 2009 APPROVED BUDGET	\$27,343,752	\$26,350,559	-\$194,000	-0.7%	\$106,000
FY 2009 STAFFING LEVEL	218.0		-1.3	-0.6%	
		<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>FTE IMPACT</u>
			<u>\$/FTE</u>	<u>%</u>	
<u>Reductions</u>					<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>					
Leadership & General Management		\$1,800,064	-\$153,000	-8.5%	-1.0
Legal Process Service/Judicial Services		\$863,448	-\$41,000	-4.7%	-0.3
					efficiency measures*
					efficiency measures*
Total Reductions			-\$194,000		-1.3
		<u>FY 2009 Budget</u>			
<u>Revenue Increases</u>					
Increased Federal Prisoner Per Diem		\$6,363,000			\$106,000
<u>Impact on Services</u>					
None					

* The staffing (FTE) impact is achieved by not filling vacant positions.

TRANSIT SUBSIDIES **FY 2009 Spending Reduction Plan**

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	
FY 2009 APPROVED BUDGET	\$20,168,745	\$16,747,745	-\$423,495	-2.5%
FY 2009 STAFFING LEVEL	NA			

<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>		<u>Primarily Efficiency Measure or Reduced Services</u>
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>	
DASH	\$8,067,000	-\$220,000	-2.7%	reduced services
WMATA Metrobus	\$6,129,120	-\$37,500	-0.6%	reduced services
King Street Trolley	\$1,000,000	-\$116,427	-11.6%	efficiency measure
King Street Trolley	\$1,000,000	-\$49,568	-5.0%	reduced services
Total Reductions		-\$423,495		

Impact on Services

DASH Expansion Stoppage	<p>In the FY 2009 Approved Budget, \$265,000 in City funding was added to the DASH budget for expansion of services on the AT5 (Van Dorn Metro to Braddock Metro via Old Town), AT6 (NVCC to King Street Metro and Eisenhower Metro), & AT10 (King Street Metro to Potomac Yard) routes. This option would delay implementation on the remaining service expansions for the AT10 route resulting in midday frequency of 60 minutes (vs. the 30 minute planned headways). This service reduction saves \$83,000 in FY 2009.</p>
DASH Service Reductions (January 1, 2009 begin date)	<p>DASH will eliminate midday, weekend, and evening service on the AT3-4 (to and from Old Town via Parkfairfax) and AT4 (Pentagon Metro & Parkfairfax to Old Town via Slaters Lane) routes. For these services at these times, the average number of passengers per hour is around 8. As a comparison, the average number of passengers per hour for the entire DASH system is 35.5.</p> <p>Saturday AT7 (Lee Center to Landmark via Eisenhower Ave.) service would be eliminated. The average hourly ridership for this service is around 12 trips (224 daily trips). Compared to the systemwide Saturday average of 27.1 per hour, this is a relatively low performing route.</p> <p>Memorial Day service would also be eliminated. Sunday service is provided on Memorial Day with an average ridership of 3,500. As a comparison, an average, non-holiday Monday ridership total is around 14,500.</p> <p>These are the lowest performing services in the DASH system as provided by DASH staff. All of these reductions would result in an FY 2009 savings of \$137,000.</p>

WMATA - Reductions in Route 21 Service (January 1, 2009 begin date)*	Based on ridership, p.m. service on the Route 21A-D (Pentagon-Landmark) can be reduced by two trips (resulting in one less bus). The p.m. headway would be widened from 8 to 10 minutes between 4:40 and 5:30, for a reduction of one trip within this time period. Also, the first two 21B trips at 3:50 and 4:05 would be combined into a single 21B trip at 4:00, which would carry approximately 30 passengers. The FY 2009 savings from this option is \$37,500.
Trolley - Begin Service at 11:30 a.m. & Operate 3 Trollies (January 1, 2009 begin date)	This option combines the two previous options of beginning service at 11:30 a.m. and reducing the number of trollies in operation from 4 to 3. The change in service hours would begin January 1, 2009 and the change in number of operational trollies would begin April 1, 2009. This option would save the City \$49,568 in FY 2009.

Efficiency Measure

Trolley Excess Budget	The King Street Trolley budget for FY 2009 is \$1,000,000. Assuming current service levels and a 5% inflationary factor for January-June (option built into contract), the Trolley should come in \$116,427 under budget in FY 2009.
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** WMATA needs to receive word of the City's intent on the Route 21 service reduction by October 31, 2009 in order to implement the change beginning January 1, 2009. If the City is unable to notify WMATA by 10/31, our opportunity to make a change will be delayed by 3 months and effectively reduces the potential savings amount by 50%.*

TRANSPORTATION & ENVIRONMENTAL SERVICES **FY 2009 Spending Reduction Plan**

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>	
FY 2009 APPROVED BUDGET	\$39,515,307	\$29,297,692	-\$943,037	-3.2%	NA
FY 2009 STAFFING LEVEL	213.0				
<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>	
<u>Specified by Activity</u>		<u>\$</u>	<u>%</u>		
Leaf Collection	\$376,649	-\$50,000	-13.3%		reduced services
Alternative Transportation - special studies	\$901,211	-\$75,100	-8.3%		reduced services
Construction Management	\$335,608	-\$700	-0.2%		efficiency measures
Development Site Inspection	\$1,656,484	-\$5,000	-0.3%		efficiency measures
Permitting	\$666,141	-\$7,000	-1.1%		efficiency measures
Site Plan Review	\$1,629,658	-\$25,000	-1.5%		efficiency measures
Design Management	\$728,372	-\$25,000	-3.4%		efficiency measures
Air Quality	\$642,964	-\$6,800	-1.1%		efficiency measures
Water Quality	\$357,304	-\$4,000	-1.1%		efficiency measures
Noise Quality	\$119,251	-\$5,000	-4.2%		efficiency measures
Contaminated Land	\$101,132	-\$4,500	-4.4%		efficiency measures
Signals, Signs & Meters - pavement marking	\$2,234,460	-\$100,000	-4.5%		efficiency measures
Signals, Signs & Meters - operating supplies	\$2,234,460	-\$40,000	-1.8%		efficiency measures
Signals, Signs & Meters - meters	\$2,234,460	-\$10,000	-0.4%		efficiency measures
Traffic Calming	\$338,225	-\$10,000	-3.0%		efficiency measures
Street Lighting	\$1,528,372	-\$5,000	-0.3%		efficiency measures
Street Maintenance	\$4,482,432	-\$290,328	-6.5%		reduced services
Sidewalk, Curb & Gutter Maintenance	\$944,712	-\$209,609	-22.2%		reduced services
Regional Transportation	\$349,201	-\$25,000	-7.2%		efficiency measures
Unspecified (savings to be determined)		-\$45,000			efficiency measures
Total Reductions		-\$943,037			

Impact on Services

Leaf collection	Leaves will no longer be collected on holidays and weekends. Service will continue on non-holiday weekdays. In-house Maintenance employees will be used to support leaf collection instead of hiring additional temporary staff, which will result in suspension of some other maintenance activities.
Alternative Transportation - Special studies	The completion of some transportation studies would be deferred.
Street paving	Street resurfacing would be discontinued for the remainder of FY 2009. Streets that were planned for resurfacing that would be deferred are Woodland Terrace, Davis Avenue, Summit Avenue, Enderby Drive, Halcyon Drive, and South Overlook Drive.
Sidewalk, curb and gutter maintenance	Maintenance of sidewalk, curb and gutter maintenance will be reduced by half (from 8,000 linear feet to 4,000 linear feet) by postponing or performing with a less costly correction.

OFFICE ON WOMEN
FY 2009 Spending Reduction Plan

	<u>ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND REDUCTION</u>	<u>REVENUE INCREASE</u>	
FY 2009 APPROVED BUDGET	\$1,884,598	\$1,451,485	\$/FTE -\$51,741	% -3.6%	NA
FY 2009 STAFFING LEVEL	20.3		-0.8	-3.7%	
<u>Reductions</u>	<u>FY 2009 Budget</u>	<u>SPENDING REDUCTION</u>	<u>FTE IMPACT</u>	<u>Primarily Efficiency Measure or Reduced Services</u>	
<u>Specified by Activity</u>					
Youth Outreach and Education/Community Education	\$225,889	-\$48,634	-21.5%	-0.8	Service Reduction
<u>Unspecified by Activity</u>					
Parking Leases		-\$3,107			Efficiency
Total Reductions		-\$51,741		-0.8	
<u>Impact on Services</u>					

Reduction in youth and community outreach and prevention classes

Outreach and prevention work with Shelter Care, the Juvenile Detention Center, and a youth Chat Room would be suspended, resulting in a decrease in youth served (from 1,875 to 1,250 per year). Additionally, the number of RAD (Rape Aggression Defense) classes would be reduced (from 3 to 1), resulting in a decrease in adults served. The waiting list for classes would increase in number (from 0 to 20) and the wait for classes would be longer. The "suggested donation" for the class would be increased from \$20 to \$40. Anyone unable to pay would be given a "scholarship" as is already OOW policy. The OOW would be unable to represent the City at state coalition meetings. Our involvement in Alexandria's DVIP Domestic Violence Intervention Project would have to be scaled back. The OOW would not be able to chair the committee nor serve on as many subcommittees.

The following trainings that the OOW provides to the City would have to be discontinued: (1) When Domestic Violence Comes to the Workplace; (2) Sexual Harassment Prevention; and (3) Conflict Resolution Training. The OOW also provides Conflict Resolution Training and Healthy Relationship Training to women and men in Alexandria jail. Although a very popular program with both inmates and the Sheriff's Office, it would also be necessary to scale back our offerings or cut them completely.