



## ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item  
Meeting of September 13, 2008**

**DATE:** August 25, 2008

**SUBJECT:** Revised Departmental Appropriations Resulting from State Budget Cuts

**C. M. RECOMMENDATION:**

Reduce General Fund departmental appropriations by \$1,238,906 (see Attachment 1) to reflect State revenue reductions to the County in FY 2009.

**ISSUES:** Reduce the County's General Fund budget to reflect the loss of State funding due to budget cuts by the state General Assembly.

**SUMMARY:** Expenditure reductions in the General Fund are recommended to offset the loss of State funding due to budget cuts by the Commonwealth in the FY 2008 – FY 2010 biennial budget. One-time funds were used to temporarily offset the anticipated state cuts when the County Board adopted the FY 2009 budget in the Spring of CY 2008.

**BACKGROUND:** As a result of declining state revenue, the State General Assembly adopted a biennial budget that reduced aid to localities by \$50 million in both FY 2009 and FY 2010. The \$50 million per year corresponds to a 4.17 percent across the board reduction in state aid for all Virginia localities in FY 2009 and a 4.12 percent reduction in FY 2010.

The FY 2009 cut in state revenue projected by the County in April 2008 was funded in the County's FY 2009 Adopted Budget using one-time funds anticipated from FY 2008. The Manager made a commitment to the County Board to come back in the fall of 2008 with a plan to reduce departmental expenditures in the amount of the State's revenue reductions.

**DISCUSSION:** The State identified twenty-one revenue sources that they were reducing to Arlington County. These reductions directly impacted 10 County operating departments in the amount of \$0.8 million, and \$0.4 million was cut in County-wide revenue sources. State revenue sources were reduced between \$35 to \$305,093 for a total of \$1.2 million. Arlington had two options for dealing with these reductions – cutting expenditures, or increasing another revenue source, such as real estate taxes. A reduction in departmental expenditures is recommended.

County Manager: \_\_\_\_\_

County Attorney: \_\_\_\_\_

Staff: Richard Stephenson, Department of Management and Finance

The budgets for the 10 departments with direct revenue reductions from the State (\$0.8 million) are reduced by the amounts of the specific cuts. In addition, the reductions to revenues (\$0.4 million) that are not allocated to a specific department in the County's budget were allocated proportionately across all operating departments. The largest impact of the total reductions is on the public safety departments (Police, Sheriff and Fire have combined reductions of \$455K) and human services (\$344K). These two areas account for 64% of the total reductions.

Attachment 1 shows the revised appropriation levels for each department.

The following is a summary of the reductions by department.

Department	Amount	Reduction Description
Electoral Board	\$4,530	Cut supplies, and equipment used for temporary staff hired leading up to the November election. If sufficient savings cannot be achieved through these means, may need to reduce number of Election Officials in the precincts on election day.
County Manager's Office	\$38,647	Reduce a Probation Counselor position from full-time to half-time
Libraries	\$23,206	Reductions across a variety of areas, including staff training and professional memberships, consultants and supplies.
Commissioner of Revenue	\$21,389	Freeze a Tax Auditor position.
Treasurer	\$26,000	Reduce funding for maintenance contracts and consultants.
Juvenile and Domestic Relations District Court	\$46,689	Freeze a Senior Clinical Psychologist position.
Commonwealth's Attorney	\$69,961	Eliminate an Assistant Commonwealth's Attorney.
Circuit Court	\$78,247	Freeze a half-time Court Assistant position serving the public at the Civil Division counter and reduce funding available for technology upgrades.
Department of Human Services	\$343,583	Reduce the Comprehensive Services for At-Risk Youth program (CSA). Reduce staff travel and training, and supplies.
Sheriff	\$346,116	Reduce use of interns and temporary employees. Reduce overtime funding available for special details, including fingerprinting for special events. Use phone commission revenue instead of General Fund support to pay for equipment repairs, GED and ESL instructor salaries and law library books. Reduce training funding for staff. Reduce a variety of other accounts, including supplies, wearing apparel, printing, postage.

Department	Amount	Reduction Description
County Board Office	\$1,240	Reduce funding for outside printing and consultants.
Department of Management and Finance	\$6,034	Reduce funding for consultants and other miscellaneous expenditures.
Department of Technology Services	\$15,719	Reduce hours worked by contract staff on a variety of information technology projects.
Human Resources Department	\$8,292	Freeze the Deputy Director position.
County Attorney's Office	\$2,436	Reduce equipment rentals and use of temporary administrative support.
General District Court	\$391	Reduce funding for legal costs for victims/witnesses.
Police	\$61,660	Reduce flexibility in assigning overtime funding designated for DUI and speeding enforcement.
Office of Emergency Management	\$7,408	Reductions in staff training and travel, and vehicle rental.
Fire Department	\$46,934	Delay replacement of personal protective clothing.
Department of Environmental Services	\$46,786	Reductions across a number of areas, including employee training and travel, supplies, printing, equipment, contracts, consultants and phone charges.
Economic Development	\$3,578	Reduce funding for website enhancements.
Department of Community Planning, Housing and Development	\$8,280	Reduce equipment and supply funding.
Department of Parks, Recreation and Cultural Resources	\$31,780	Reduce electricity expenditures by turning off lighting on all outdoor courts (tennis, basketball, handball) during the three winter months. Reduce equipment funding.
<b>TOTAL</b>	<b>\$1,238,906</b>	

**FISCAL IMPACT:** The FY 2009 adopted budget was balanced using \$1.2 million in one-time FY 2008 carryover funds to offset the projected state revenue reductions forecast in April 2008. On July 23, 2008 Arlington was informed by the state that it would cut funding in FY 2009 by \$1.2 million.

It is recommended that departmental budgets be reduced by \$1,238,906 as outlined in Attachment 1 and that the one-time funds be placed in fund balance for decision later in the fiscal year.