

PROPOSED BUDGET-IN-BRIEF

FISCAL YEAR 2024

FY 2024 BUDGET OVERVIEW

The FY 2024 Proposed Budget invests in Employee Compensation, School operating needs, and advances the City's progress across several of City Council's strategic priorities. FY 2024 budget development initially forecasted expense pressures driven by employee compensation, collective bargaining, and supplemental funding requests from departments and other agencies. However, real estate assessments and other key revenue growth areas exceeded initial expectations and staff were able to propose a budget that makes investments in City Council priority areas without a real estate tax rate increase or significant service reductions.

Collaborative efforts by departments closed an initial \$17.0 million budget gap with \$4.6 million in efficiency and cost cutting savings, an increased City-wide vacancy savings assumption, and \$0.5 million in revenue sources that offset general fund expenses. The City's higher than anticipated revenues and reallocated funding allowed for merit increases for City staff and wage adjustments for Police and Fire per the terms of collective bargaining agreements and a 2.0% increase in General Schedule and Sheriff's Deputy pay scales. The City Manager's proposed budget also recommends strategic investments in community engagement, equity initiatives, youth and families, and environmental justice.

FY 2024 PROPOSED OPERATING BUDGET HIGHLIGHTS

- Maintains the current real estate tax rate of \$1.11 per \$100 of assessed value;
- Increases stormwater utility fee rates from \$294.00 to \$308.70 as scheduled;
- Funds ACPS School Board's operating budget transfer request of \$258.7 million, which is an increase of \$9.9 million or 4.0%;
- Provides a 2.0% increase in General Schedule and Sheriff's Deputy pay scales;
- Funds the wage adjustments outlined Police and Fire collective bargaining agreements;
- Adds 25 SAFER grant-funded firefighters to increase staffing and reduce firefighter work schedules;
- Allocates funding for community engagement opportunities with Community Cook-outs, City Council town halls, and staffing for hybrid public meetings;
- Invests in the City's road renaming efforts;
- Expands staffing in the Commonwealth Attorney for implementation of the Body-Worn Camera program;
- Adds a Health Equity Program Manager to coordinate programs addressing chronic diseases throughout the City;
- Expands staffing for early childhood programs; including, a Senior Therapist for the Parent and Infant Education (PIE) program;
- Allocates funding to expand the City's Grant Intervention Prevention Education (IPE) program;
- Adds an Urban Forester to support the maintenance of trees in the City; and
- Increases funding for the Office of Climate Action and the Community Policing Review Board.

ALEXANDRIA CITY COUNCIL

Mayor Justin Wilson
Vice Mayor Amy B. Jackson
Councilman Canek Aguirre
Councilmember Sarah R. Bagley

Councilman John T. Chapman
Councilman Alyia Gaskins
Councilman Kirk McPike

CITY MANAGER

James F. Parajon

BUDGET DIRECTOR

Morgan Routt

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CAPITAL IMPROVEMENT PROGRAM

The Proposed FY 2024 – 2033 Capital Improvement Program (CIP) totals \$2.4 billion and is a \$327.3 million decrease over last year's 10 Year CIP. This decrease is largely attributable to significant investments that were appropriated as part of the FY 2023 capital budget, which is no longer included in the proposed 10-year capital planning window.

HIGHLIGHTS OF THE 10 YEAR PLAN

- \$367.2 million for Schools capital projects. This provides funding to maintain the anticipated funding level planned for FY 2024 – FY 2032 in the previously approved CIP to support ACPs identified capacity and non-capacity needs, along with an additional \$39.5 million in funding to support cost escalations to projects currently underway by the school division, and to address estimated cost increases associated with the George Mason Elementary School project
- \$185.1 million to support capital program of WMATA regional public transit system;
- \$63.3 million over the ten-year plan for street reconstruction and repaving program;
- \$48.2 million to complete construction budget for capital infrastructure improvements associated with the Waterfront Plan Implementation;
- \$17.4 million to renovate Four Mile Run Park; and
- \$282.1 million for investments in the City's stormwater management systems, including improvements to mitigate flooding during major rain events.

FY 2024 PROPOSED CAPITAL BUDGET HIGHLIGHTS

The FY 2024 Capital Budget (only year formally appropriated by City Council) totals \$359.4 million, which is a \$30.8 million decrease from FY 2024 in last year's approved CIP. Highlights of the FY 2024 projects are as follows:

- \$51.3 million for Alexandria City Public Schools capital funding request; including, \$16.5 million in additional funding to support cost escalations for projects currently underway by the school division, and to address estimated cost increases associated with the George Mason Elementary School project;
- \$16.5 million for synthetic turf conversion and to reconstruct the natural turf diamond field at Eugene Simpson Stadium Park;
- \$16.7 million for the City's contribution to WMATA's Capital Improvement Program;
- \$11.5 million to begin design efforts for the renovation of City Hall;
- \$5.2 million for street reconstruction and resurfacing, which will support the resurfacing of approximately 50-55 lane miles in FY 2024; and
- \$2.7 million for bridge repairs and refurbishments.
- \$24.6 million to continue work on the Beauregard/ West End Transit Corridor (Transit Corridor "C").
- \$4.8 million to support DASH Bus Fleet Replacement and Electrification.

DEBT AND CAPITAL FUNDING POLICIES

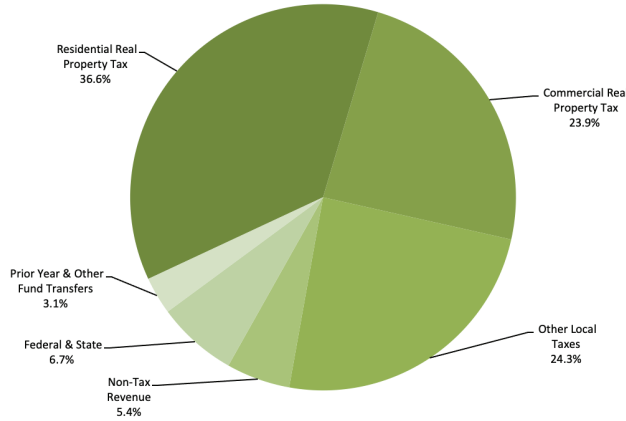
- The Proposed CIP is in compliance with the City's adopted debt ratios throughout the ten-year plan. See the Proposed CIP document for additional details.
- The CIP has 45% cash sources versus 55% bonds over the life of the 10-year CIP
- The General Fund Cash Capital Transfer is above the City Council approved target of 2.5% of General Fund expenditures annually. The percentage as relates to total General Fund expenditures in FY 2024 is 4.0%.

Type	Unit	CY 2022 Approved Rate	CY 2023 Proposed Rate
Real Estate	\$100/AV	\$1.11	\$1.11
Personal Property	\$100/AV	5.33	5.33
Refuse Collection Disposal	Household	\$500	\$500
Average Home Assessed Value		\$677,521	
Average Residential Tax Bill CY 2022 (\$1.11 Current Rate).....		\$7,281	
Average Residential Tax Bill CY 2023 (\$1.11 Proposed Rate).....		\$7,520	

PROPOSED BUDGET-IN-BRIEF FISCAL YEAR 2024

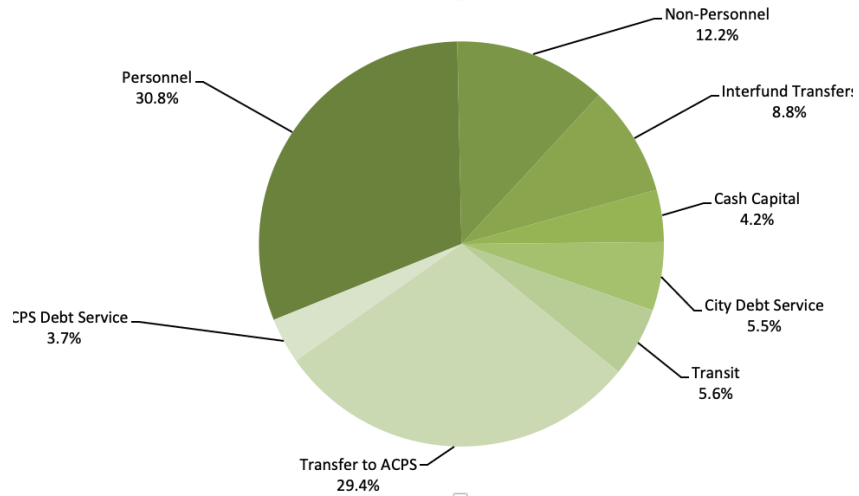
GENERAL FUND REVENUES & EXPENDITURES

FY 2024 PROPOSED GENERAL FUND REVENUES



	FY 2023 Approved	FY 2023 Projected	FY 2024 Proposed	% Change from Approved
Real Property Tax	514.6	515.0	532.7	3.5%
Other Taxes	215.2	213.3	214.2	-0.5%
Non-Tax Revenue	34.5	40.4	47.2	36.8%
Fed & State Revenue	57.4	58.1	59.4	3.5%
Prior Year Surplus & Other Fund Transfers	17.5	9.4	27.7	58.3%
TOTAL:	839.2	836.0	881.1	5.0%

FY 2024 PROPOSED OPERATING EXPENDITURES



General Fund Expenditures	FY 2022 Actual	FY 2023 Approved	FY 2024 Proposed	\$ Change	% Change
City Operations	\$390,177,908	\$436,717,568	\$456,476,749	\$19,759,181	4.5%
City Related Debt Service	\$45,981,452	\$41,170,131	\$48,235,001	\$7,064,870	17.2%
City Subtotal	\$436,159,359	\$477,887,699	\$504,711,750	\$26,824,051	5.6%
Schools					
School Operations	\$239,437,296	\$248,737,300	\$258,686,800	\$9,949,500	4.0%
School Related Debt Service	\$28,633,966	\$31,941,000	\$32,220,940	\$279,940	0.9%
Schools Subtotal	\$268,071,262	\$280,678,300	\$290,907,740	\$10,229,440	3.6%
Transit Services	\$40,039,689	\$44,491,782	\$48,920,006	\$4,428,224	10.0%
Cash Capital	\$44,804,271	\$36,156,190	\$36,593,400	\$437,210	1.2%
Total Expenditures	\$789,074,582	\$839,213,971	\$881,132,896	\$41,918,925	5.0%



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FY 2024 BUDGET CALENDAR

City Council and City Staff will hold a series of meetings during the budget development process to discuss and deliberate the FY 2024 budget. This year, there will be three budget public hearings and a public presentation. All meetings begin at 7 p.m., unless otherwise noted. Scheduled budget meetings will be hybrid meetings with both in person and remote attendance options. Visit [AlexandriaVA.gov/Budget](https://alexandriava.gov/Budget) for the most up-to-date list of meeting dates, times, and locations.

Tues., Feb. 28	Proposed Budget Presentation
Wed, Mar. 1	Work Session #1: Capital Improvement Program (CIP)
Thu., Mar. 2	Public Budget Presentation
Wed., Mar. 8	Work Session #2: Alexandria City Public Schools (Operating and CIP)
Mon., Mar.13	Budget Public Hearing (5:30 p.m.)
Tues., Mar. 14	Introduce and Set the Maximum Property Tax Rates
Wed., Mar. 15	Work Session #3
Sat., Mar.18	Budget Public Hearing (9:30 a.m.)
Wed., Mar. 22	Work Session #4
Wed., Mar. 29	Work Session #5
Sat., Apr. 15	Add/Delete Public Hearing (9:30 a.m.)
Tues., Apr. 25	Tax Rate Public Hearing & Preliminary Add/Delete Work Session (time TBD)
Mon., May 1	Final Add/Delete Work Session
Wed., May 3	Budget Adoption/Tax Rate Adoption

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