

ADDITIONAL INFORMATION

ALEXANDRIA CITY COUNCIL

Mayor William D. Euille
 Vice Mayor Allison Silberberg
 Councilman John T. Chapman
 Councilman Timothy B. Lovain
 Councilwoman Redella S. "Del" Pepper
 Councilman Paul C. Smedberg
 Councilman Justin M. Wilson

CITY MANAGER

Mark B. Jinks

Morgan Routt, Acting Budget Director

Information about the budget is available online at alexandriava.gov/Budget or by contacting:

OFFICE OF MANAGEMENT & BUDGET

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 703.746.3737
www.alexandriava.gov/Budget
 Monday – Friday • 8 a.m. to 5 p.m.



\$649.2M APPROVED GENERAL FUND BUDGET IN BRIEF

— FISCAL YEAR 2016 —
 JULY 1, 2015 – JUNE 30, 2016

FY 2016 BUDGET OVERVIEW

Fiscal Year (FY) 2016 is the eighth straight year of budgetary challenges for the City of Alexandria as the economy is still only slowly recovering from the recession and has not yet fully regained past job loss. Combining this with significant cutbacks in the federal spending that fuels our region, Alexandria's economy, like those of our neighbors, is not producing the revenue for the City it once did.

In FY 2016, the City will invest \$649.2 million into more than 150 programs, each designed to advance the Long Term Outcomes in the City's four Focus Areas: Accountable, Effective & Well-Managed Government; 2) Healthy & Thriving Residents; 3) Livable, Green & Prospering City; and 4) Safe, Secure & Just Community. This investment represents a modest 1.9% increase over the City's level of investment in FY 2015 and focuses on core mission and essential spending.

This year's budget process further incorporated the Results Alexandria framework, which links spending to long-term outcomes with additional emphasis placed on civic engagement. Between October 2014 and February 2015, the City hosted four public meetings and conducted an online survey. Community input influenced City Council's budget guidance, the City Manager's Budget Priorities, department work plans, and the proposed budget. Due to this engagement, the proposed budget incorporated five priorities: 1) Diversification and expansion of the City's tax base; 2) Sustained community health and social equity; 3) Educational achievement; 4) Public safety response; and 5) Recruitment and retention of City staff.

HIGHLIGHTS OF THE \$649.2 MILLION BUDGET INCLUDE:

- Maintains the current real estate tax rate of \$1.043 per \$100 of assessed value.
- Maintains 2.2 cents real estate tax reservation for transportation; 0.5 cents designation for stormwater; and 0.6 cents designation for affordable housing.
- Maintains the current sanitary sewer and solid waste fees, but other various user fee changed to better align the fee with the cost of service.
- Continues economic development commitments: Waterfront parks and flood mitigation; WMATA; Potomac Yard Metrorail Station; veterans' business center; and a new initiative to decrease the number of vacant office spaces in the City.
- Maintains funding for seniors and the social safety net, including affordable housing while increasing the investment towards the Children and Youth Master Plan.
- Invests 57% of new revenue to the Alexandria City Public Schools by increasing the operating transfer by \$7.0 million, for a total of \$198.8 million to help offset cost pressures related to enrollment growth.
- No closures of fire stations or reduction of sworn public safety positions.
- Invests \$1.3 million to accelerate staffing of a fire engine at Station 210 on Eisenhower Avenue during FY 2016
- Realigns sworn police officer compensation with the market to mitigate turnover issues
- Provides a merit increase for all eligible employees with satisfactory performance.

FY 2016 BUDGET CALENDAR

City Council and City Staff held a series of meetings during the budget development process to discuss and deliberate on the FY 2016 budget. These meetings included a public hearing on the budget on Monday, March 16 and a public hearing on the tax rate on Tuesday, April 21st. The following budget-related sessions, were held in March, April and May 2015. These meetings were open to members of the public.

DATE	TIME	TOPIC
Wed. Mar. 11	6:30 p.m.	Public Budget Presentation Location: Beatley Library, 5005 Duke St.
Thurs. Mar. 12	6:30 p.m.	Work Session: Compensation/Revenues/ 5-Year Financial Model Location: City Hall, Sister Cities Conf. Room 1101
Mon. Mar. 16	4 p.m.	Public Hearing: FY 2016 Budget Location: City Hall, Council Chambers
Tues. Mar. 17	6:30 p.m. 7:30 p.m.	Work Session: Alexandria City Public Schools Location: ACPS Headquarters, 1340 Braddock Pl. Introduction of Tax Rate Ordinance (immediately following prior work session) Location: ACPS Headquarters, 1340 Braddock Pl.
Thurs. Mar. 19	6:30 p.m.	Work Session: "Safe, Secure & Just Community" Focus Area Location: City Hall, Sister Cities Conf. Room 1101
Mon. Mar. 23	6:30 p.m.	Work Session: Capital Improvement Program Location: City Hall, Sister Cities Conf. Room 1101
Tues. Apr. 7	6:30 p.m.	Work Session: "Healthy & Thriving Residents" Focus Area Location: City Hall, Sister Cities Conf. Room 1101
Thurs. Apr. 9	6:30 p.m.	Work Session: "Livable, Green & Prospering City" Focus Area Location: City Hall, Sister Cities Conf. Room 1101
Thurs. Apr. 16	7:00 p.m.	Work Session: Alexandria Public Schools Location: ACPS Headquarters, 1340 Braddock Pl.
Tues. Apr. 21	5:30 p.m. 6:30 p.m.	Work Session: "Accountable, Effective & Well-Managed Government" Focus Area Location: City Hall, Sister Cities Conf. Room 1101 Work Session: Budget & Fiscal Affairs Advisory Committee (BFAAC) Location: City Hall, Sister Cities Conf. Room 1101
	7:30 p.m.	Public Hearing: FY 2016 Tax Rate Location: City Hall, Council Chambers
Tues. Apr. 28	7:00 p.m.	Legislative Meeting: Preliminary Add/Delete Discussion Location: City Hall, Council Chambers
Mon. May 4	6:30 p.m.	Special Meeting: Final Add/Delete Discussion Location: City Hall, Council Chambers
Thurs. May 7	6:30 p.m.	Special Meeting: Budget Adoption Location: City Hall, Council Chambers

CAPITAL IMPROVEMENT PLAN

The Approved FY 2016 – 2025 Capital Improvement Program (CIP) totals \$1.57B and includes funding for Alexandria City Public Schools, the Potomac Yard Metrorail Station (funded through sources outside of the City's General Fund), Waterfront Plan implementation, and increased commitment to street resurfacing and sanitary and storm sewers to meet state and federal mandates.

HIGHLIGHTS OF THE 10-YEAR PLAN

- Funding to be implemented of the Waterfront Plan totaling \$61.5 million over the next 10 years. In prior year CIPs, only funding for planning and design was budgeted. The FY 2016 – 2025 is the first CIP to provide a funding plan for the infrastructure improvements needed to implement the Waterfront Plan.
- Continuation of the Potomac Yard Metrorail Station project, with \$274.0 budgeted in FY 2016 – 2017 (total estimated project costs including prior year funding are \$285.9)
- Funding for Alexandria City Public Schools of \$291.4 million to fund increased enrollment and modernization of facilities
- Sanitary Sewer and Stormwater funding equal to \$138.8 million to address long-term capital infrastructure needs related to federally mandated improvements.
- WMATA capital funding increases \$58.3 million, from \$55.3 million in last year's plan to \$113.6 million.

HIGHLIGHTS OF THE FY 2016 CAPITAL BUDGET

The FY 2016 Capital Budget (only year formally adopted and appropriated by City Council) totals \$113.8 million and highlights of the projects are as follows:

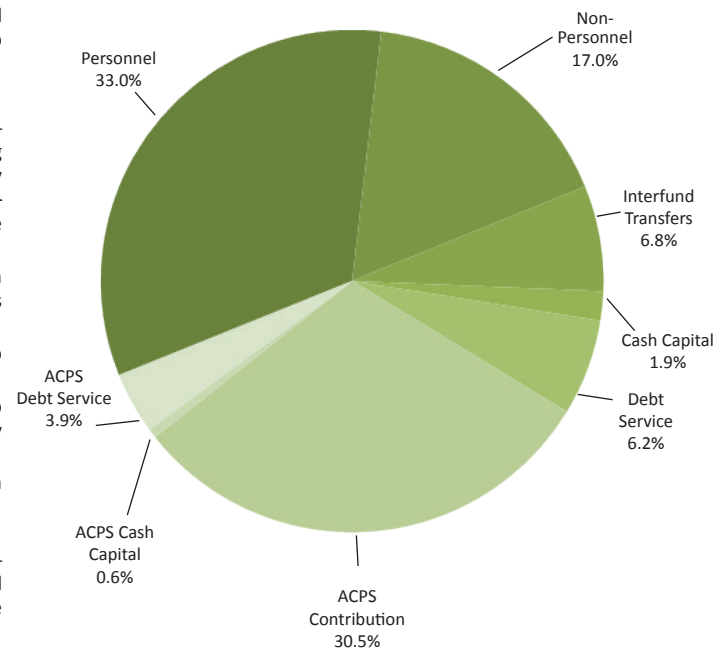
- \$38.8 million in new City funding to Alexandria City Public Schools, along with \$5.5 million in prior year ACPS balances to complete planned capital projects
- \$4.4 million for sanitary sewers and stormwater management
- \$1.5 million for continued design and engineering for Waterfront Small Area Plan implementation
- \$5.9 million in construction funding for the Patrick Henry Recreation Center Renovation project, being completed in conjunction with capital improvements to the ACPS facility
- \$5.0 million in construction funding for the Windmill Hill Park Bulkhead
- \$8.3 million to support the WMATA Capital Improvement Program
- \$5.6 million for Street reconstruction and resurfacing, a \$1.1 million increase over FY 2015. Resurfacing of lane miles will increase from an estimated 22 miles in FY 2014, to approximately 40 miles in FY 2015, to over 50 miles in FY 2016
- \$0.25 million to support the Maury Schoolyard Initiative public-private partnership with ACPS

DEBT AND CAPITAL FUNDING POLICIES

- The Approved FY 2016 – FY 2025 CIP complies with all debt and capital funding policies when excluding Potomac Yard Metrorail Station funding.
- The CIP has 36% cash sources versus 64% bonds over the life of the 10 year CIP
- The General Fund Cash Capital Transfer stays largely at the City Council approved target of 2.5% of General Fund expenditures annually. The percentage as relates to total General Fund expenditures in FY 2016 is 2.47% and increases to 2.5% in FY 2017 through FY 2025.

FY 2016 APPROVED GENERAL FUND EXPENDITURES

EXPENDITURE OVERVIEW



FY 2016 EXPENDITURES (in millions)

General Fund	FY 2015 Approved	FY 2016 Approved	\$ Change FY 15/16	% Change FY 15/16
City Operating Expenditures	\$339.3	\$346.0	\$6.7	2.0%
Transit Subsidies	\$20.0	\$22.4	\$2.4	12.0%
Capital Projects/Debt Service	\$85.7	\$81.9	-\$3.8	-4.4%
<i>City subtotal</i>	<i>\$445.0</i>	<i>\$450.3</i>	<i>\$5.4</i>	<i>1.2%</i>
City Appropriation to Schools	\$191.8	\$198.8	\$7.0	3.6%
Total General Fund Budget*	\$636.8	\$649.2	\$12.4	1.9%

*All values in millions

TAX FACTS & ASSESSED VALUE

Type	Unit	CY 2014 Actual Rate	CY 2015 Approved Rate
Real Estate	\$100/AV	\$1.038	\$1.038
Personal Property	\$100/AV	\$5.00	\$5.00
Refuse Collection Disposal	Household	\$328	\$328

Average Home Assessed Value \$509,853

Average Residential Tax Bill CY 2014 (Equalized) \$5,159

Average Residential Tax Bill CY 2015 (\$1.043 rate) \$5,318

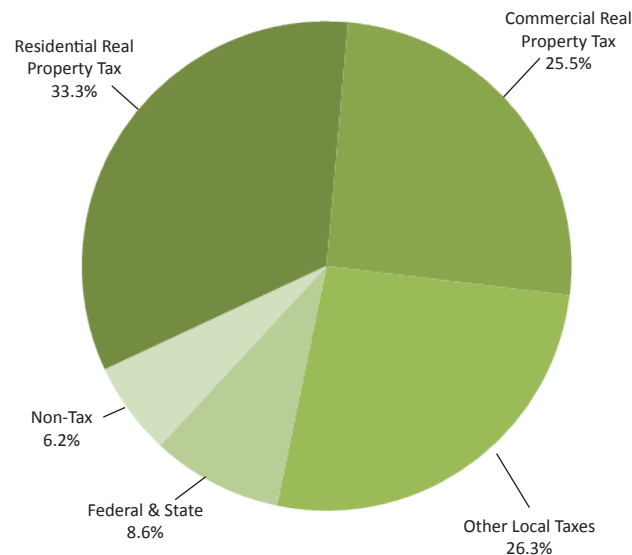
Median Assessed Value of Single-Family and Condominiums

Assessed Value	Units	Total Value	Median
Less than \$100,000	56	\$5,055,799	\$94,676
\$100,000 - \$249,999	9,089	\$1,709,810,283	\$190,444
\$250,000 - \$499,999	13,494	\$4,971,353,863	\$364,295
\$500,000 - \$749,999	10,825	\$6,612,916,994	\$602,949
\$750,000 - \$999,999	5,090	\$4,345,054,215	\$844,593
\$1,000,000 - \$1,999,999	2,193	\$2,771,765,255	\$1,186,390
\$2,000,000 and Over	229	\$622,293,489	\$2,493,489

Source: Finance Department

FY 2016 APPROVED GENERAL FUND REVENUES

REVENUE OVERVIEW



FY 2016 APPROVED REVENUE (in millions)

	FY 2015 Approved	FY 2015 Projected	FY 2016 Approved	% Change from FY2015 Approved
Real Property Tax	\$369.7	\$369.6	\$382.1	3.4%
Other Taxes	\$170.1	\$169.9	\$169.4	0.5%
Non-Tax Revenue	\$37.8	\$37.8	\$40.3	5.8%
Fed & State Revenue	\$56.4	\$55.5	\$56.1	-0.5%
Prior year surplus & other fund transfers	\$2.8	\$0.4	\$0	N/A
Total	\$636.8	\$633.3	\$649.2	1.9%