

APPROVED BUDGET-IN-BRIEF

FISCAL YEAR 2024

FY 2024 BUDGET OVERVIEW

The FY 2024 Approved Budget invests in Employee Compensation, School operating needs, and advances the City's progress across several of City Council's strategic priorities. FY 2024's 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.

As unanimously adopted by the Alexandria City Council on May 3rd, the City's General Fund Operating Budget of \$884.3 million represents an increase of 5.4% over the current year. The approved budget includes merit increases for City staff, 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. City Council's approved budget also includes strategic investments in community engagement, equity initiatives, youth and families, and environmental justice.

City Council and City Staff held a series of meetings, work sessions and public hearings during the budget development process to discuss and deliberate on the FY 2024 budget. Throughout this year's deliberation process, City staff issued over 80 responses to budget questions from City Council.

- 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 to pay scales for General scale employees, non-collectively bargained Police and Fire employees, and Sheriff's Deputies;
- 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;
- Increases funding for the summer youth employment program;
- Funds the service expansion of DASH Line 33;
- Allocates funding to expand the City's Gang Intervention Prevention Education;
- 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 Rott

APPROVED BUDGET-IN-BRIEF FISCAL YEAR 2024

CAPITAL IMPROVEMENT PROGRAM

The Approved FY 2024 – 2033 Capital Improvement Program (CIP) totals \$2.4 billion and is a \$319.3 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 approved 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.

HIGHLIGHTS OF THE FY 2024 CAPITAL BUDGET

The FY 2024 Capital Budget (only year formally appropriated by City Council) totals \$360.8 million, which is a \$29.4 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 conversation 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;
- \$2.7 million for bridge repairs and refurbishments;
- \$24.6 million to continue work on the Beauregard/ West End Transit Corridor (Transit Corridor “C”); and
- \$4.8 million to support DASH Bus Fleet Replacement and Electrification.

DEBT AND CAPITAL FUNDING POLICIES

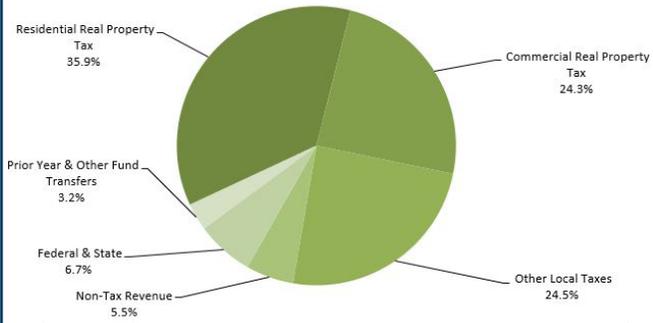
- The Approved CIP is in compliance with the City’s adopted debt ratios throughout the ten-year plan. See the Approved CIP document for additional details.
- The CIP has 46% cash sources versus 54% bonds over the life of the 10-year CIP
- The General Fund Cash Capital Transfer is above the City Council approved target of 2.5% of General Fund expenditures annually. The percentage as relates to total General Fund expenditures in FY 2024 is 4.2%.

Type	Unit	CY 2022 Approved Rate	CY 2023 Approved 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		\$679,914	
Average Residential Tax Bill CY 2022 (\$1.11 Current Rate)		\$7,281	
Average Residential Tax Bill CY 2023 (\$1.11 Approved Rate)		\$7,547	

APPROVED BUDGET-IN-BRIEF FISCAL YEAR 2024

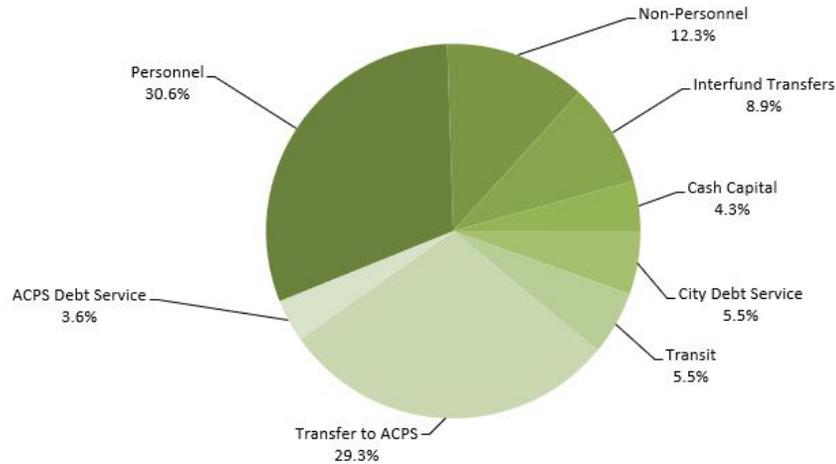
GENERAL FUND REVENUES & EXPENDITURES

FY 2024 APPROVED GENERAL FUND REVENUES



General Fund Revenues	FY 2023 Approved	FY 2023 Projected	FY 2024 Approved	% Change from FY2023 Approved
Real Property Tax	514.6	515.0	532.1	3.4%
Other Taxes	215.2	213.3	216.5	0.6%
Non-Tax Revenue	34.5	40.4	48.9	41.7%
Fed & State Revenue	57.4	58.1	58.9	2.6%
Prior Year Surplus & Other Fund Transfers	17.5	9.4	27.9	59.4%
Total Revenues:	839.2	836.0	884.3	5.4%

FY 2024 APPROVED OPERATING EXPENDITURES



General Fund Expenditures	FY 2022 Actual	FY 2023 Approved	FY 2024 Approved	\$ Change	% Change
City Operations	\$390,177,908	\$436,717,568	\$457,847,700	\$21,130,132	4.8%
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	\$506,082,701	\$28,195,002	5.9%
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	\$49,040,006	\$4,548,224	10.2%
Cash Capital	\$44,804,271	\$36,156,190	\$38,297,581	\$2,141,391	5.9%
Total Expenditures	\$789,074,582	\$839,213,971	\$884,328,028	\$45,114,057	5.4%