ALX 275

The City of Alexandria's 275TH Anniversary

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2024

CITY OF ALEXANDRIA VIRGINIA

CITY OF ALEXANDRIA, VIRGINIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR
JULY 1, 2023 TO JUNE 30, 2024

Alexandria City Council
Justin M. Wilson, *Mayor*
Amy Jackson, *Vice-Mayor*
Canek Aguirre
Sarah Bagley
John Taylor Chapman
Alyia Gaskins
R. Kirk McPike

City Manager.....James F. Parajon
Director of Finance.....Kendel Taylor
Acting Comptroller.....Davidia Thompson
Assistant Director of Revenue.....Kevin Greenlief
Real Estate Assessor.....William B. Page
City Attorney.....Cheran Ivery
City Clerk and Clerk of Council.....Gloria Sitton
Independent Auditors.....CliftonLarsonAllen, LLP

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CITY OF ALEXANDRIA, VIRGINIA
Annual Comprehensive Financial Report

For Fiscal Year Ended June 30, 2024

The ACFR Project Team extends its gratitude to all personnel throughout the City who contributed to the success of the FY 2024 external financial audits and the preparation of the FY 2024 ACFR.

ACFR PROJECT TEAM

Brigitte C. Perrussot, MGDT
Accountant III

Erik A. Braun, CPA, MBA
Accountant II

Tesfaye Gizaw
Accountant II

Laura Gates
Deputy Finance Director

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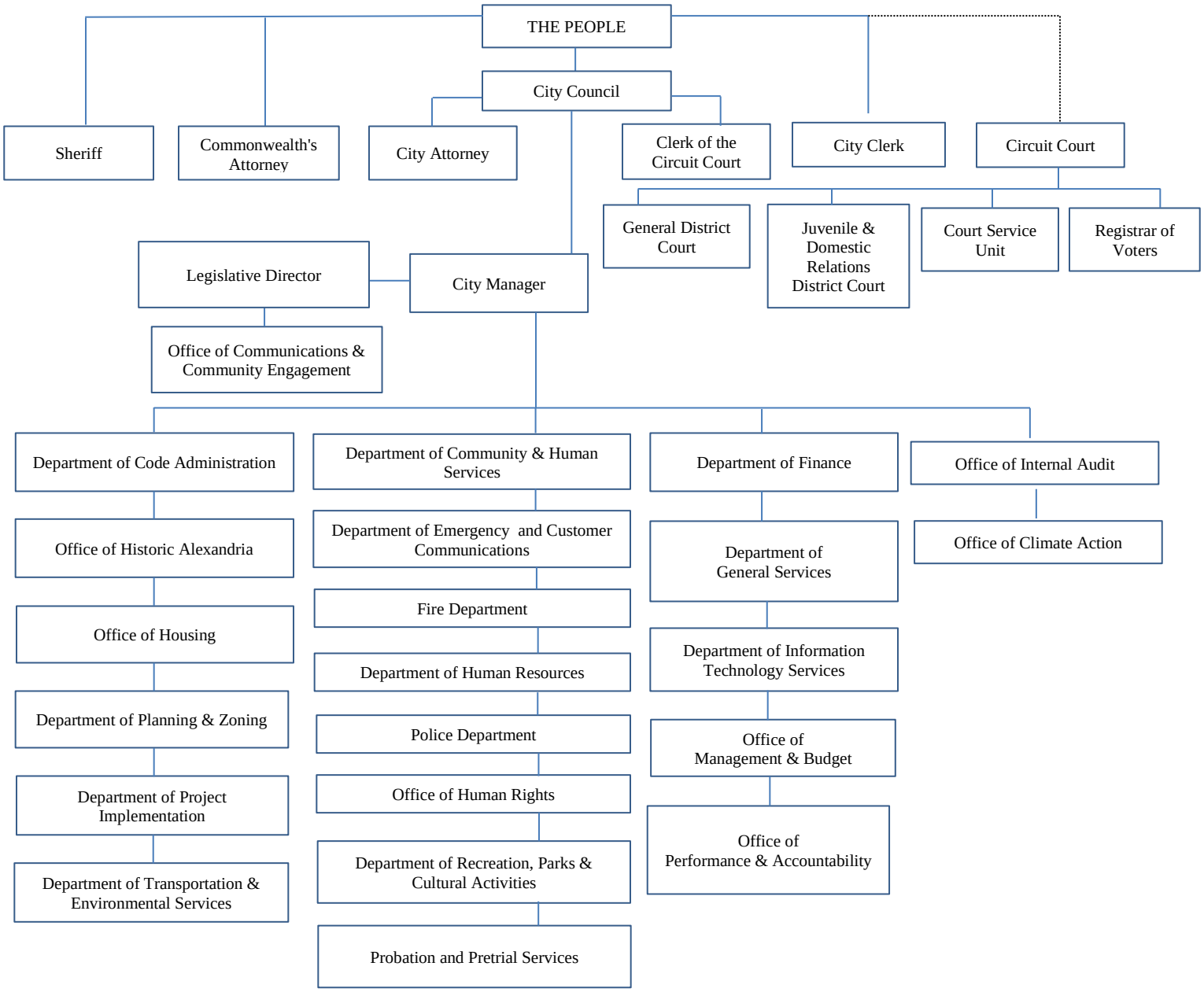
INTRODUCTORY SECTION

ALEXANDRIA CITY GOVERNMENT ORGANIZATIONAL CHART

CITY OF ALEXANDRIA, VIRGINIA ORGANIZATIONAL CHART



December 16, 2024

To the Honorable Mayor and Members of City Council,
the Residents and Businesses of the City of Alexandria:

We are pleased to present the City of Alexandria's (the City) **Annual Comprehensive Financial Report** (the ACFR) for the fiscal year ended June 30, 2024. This report is designed to present fairly the financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City in all material respects and to demonstrate compliance with applicable finance-related legal and contractual provisions. The report adheres to the principle of full disclosure so that the reader may gain the maximum understanding of the City's financial affairs.

The Finance Department has prepared this report in accordance with the following standards:

- Generally Accepted Accounting Principles (GAAP), which are uniform minimum standards and guidelines for financial accounting and reporting in the United States.

- The Governmental Accounting Standards Board (GASB) Codification, an integration of guidance from governmental accounting and financial reporting statements, interpretations, technical bulletins, implementation guides, and concepts; National Council on Governmental Accounting (NCGA) statements and interpretations; and the American Institute of Certified Public Accountants (AICPA) industry audit guide and other literature.

- Uniform financial reporting standards for counties, cities and towns issued by the Commonwealth of Virginia's Auditor of Public Accounts (APA).

The responsibility for the accuracy, completeness, and fairness of the data presented in the report, including all disclosures, rests with the City.

THE CITY

Alexandria, Virginia, which is located on the west bank of the Potomac River across from Washington, D.C., is an integral part of the Washington metropolitan area, serving as a financial, commercial, and transportation center. Alexandria is also one of America's most historic cities. George Washington and George Mason served as two of the City's first Trustees (the forerunner of the Alexandria City Council).

Alexandria is an independent full-service city with sole local government taxing power within its boundaries. The City is autonomous from any county, town, or other political subdivision of the Commonwealth of Virginia. Alexandria was founded in 1749 and derives its governing authority from a charter granted by the General Assembly of the Commonwealth of Virginia.

The City adopted the Council-Manager form of government in 1922. The governing body of the City is the City Council, which formulates policies for the administration of the City. The City Council is composed of a Mayor and six Council Members elected at-large for three-year terms. The Mayor is elected on a separate ballot. City Council

appoints the City Manager who serves as the City's chief executive officer and is responsible for implementing the policies established by City Council. The City Charter was first granted in 1852.

The City provides a comprehensive range of municipal services including general government, judicial administration, public safety, public works, library, health and welfare, transit, culture and recreation, community development, and education.

FINANCIAL REPORTING ENTITY

This report includes the financial activities of the City of Alexandria government (the primary government), as well as the financial activities of the City's component units. Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units are reported in a separate column in the financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. The Alexandria City Public Schools (Schools) and the Alexandria Library System (Library) are reported as discretely presented component units. This report does not include the financial activities of the City's Deferred Compensation Plan, Alexandria Redevelopment and Housing Authority, Alexandria Economic Development Partnership, Inc., Alexandria Renew Enterprises (formerly the Alexandria Sanitation Authority), Visit Alexandria, or Sheltered Homes of Alexandria because the City Council is not financially accountable for these entities, and therefore, these entities are not component units.

LOCAL ECONOMY

Alexandria's economy remains healthy with strong foundational indicators, including population and wage growth, and low unemployment. The City's population continues to grow and, per the 2020 Census, totals 159,467, which reflects a growth rate of 13.9 percent over the last decade. The estimated population in 2024 is 166,000, which reflects a 0.2 percent increase.

Total employment in the City in the first quarter of 2024 was 80,746. This compares to 81,126 in the same quarter of 2023. The decrease in jobs of 380 is due to a decline in the federal government presence in the City. The decrease in federal employees is offset by an increase in private employment. Private employers accounted for 78.9 percent of all jobs as compared to 77.9 percent in 2023. Government entities (federal, state and local) accounted for 17,899 jobs in 2023, which is 25.7 percent of the total. Government is led by prominent federal agencies, including the U.S. Department of Defense, the U.S. Department of Agriculture, and the U.S General Services Administration.

Median family income in Alexandria in 2022 increased from $137,335 to $149,526, an increase of 8.9 percent compared to 2021. These are the most recent years that data is available from the U.S Bureau of Economic Analysis. Per capita income has also grown, from $103,831 to $105,239. This increase of $1,408 is a growth of 1.4 percent compared to 2021. Both median family income and per capita income are significantly higher compared to similar jurisdictions in Virginia and the United States.

The real estate tax base, which generates over half of the City's General Fund revenues, remained positive in 2024. Total locally assessed real property increased in value by 0.3 percent compared to 2023. Residential real property increased by 3.0 percent, but commercial assessments decreased by 4.0 percent. The office vacancy rate of 15.5 percent in the second quarter of 2024 which is slightly higher compared to 2nd quarter 2023 (14.6 percent) and compares favorably to the office vacancy rate in Northern Virginia of 20.2 percent and the Washington DC Metro area rate of 19.8 percent. The unemployment rate in the City as of June 2024 was 2.4 percent, which compares favorably to Virginia (3.0 percent) and the United States (4.3 percent).

MAJOR INITIATIVES

Strong fiscal management remains a hallmark of Alexandria's City government and enables the City to respond to the needs of the community, provide fair and competitive pay for all employees and address climate issues related to spot flooding and stormwater management. Alexandria is among a select group of cities in the United States to hold the top AAA/Aaa bond ratings from two of Wall Street's major credit rating agencies (Standard & Poor's and Moody's Investors Service).

FINANCIAL CONDITION

The City government continues to be in very sound financial condition as demonstrated by the financial statements and schedules included in this report. The City has taken a thoughtful and deliberate approach to the use of one-time funds provided by the federal government through the American Rescue Plan Act. Within the context of a fiscally prudent budget and careful management, the City continued to provide a wide range of services, achieved many of its program goals, and enhanced the quality of life in the City. The City's cash and investment position is strong.

Keeping existing programs funded, the salaries of public employees competitive in a challenging labor market, and addressing the expanding program needs of the community have required careful budgeting. The City Council has adopted six priorities to address the needs of the community and allocate limited resources in a strategic manner. These six priorities will be viewed through the lenses of equity, environmental justice, civility, transparency, respect, and service. The six priorities are:

1. *Recover from the COVID-19 Pandemic* – Identify the policies, practices and resources needed to ensure a resilient and equitable recovery for all residents and businesses.
2. *Provide Diverse Housing Opportunities* – Reconsider our zoning model and explore other tools to better facilitate an Alexandria housing economy that provides the necessary range of price points, styles of housing and associated services to meet the needs of a thriving City.
3. *Define Our Community Engagement Approach* – Use both new and traditional outreach methods to ensure that engagement is efficient, effective and accessible to all stakeholders, creating a clear connection between community input and its effects on policy decision, infrastructure needs and financial considerations.
4. *Support Youth and Families* – Explore ways to expand academic social and emotional services and physical support to all youth during out-of-school hours.
5. *Foster Economic Development* – Seek out and consider budgetary land use, regulatory and other economic development tools to foster sustainable and equitable development, diversify revenue and allow greater investment in our infrastructure.
6. *Develop a Compensation Philosophy* – Establish a new compensation philosophy to ensure we are the preferred workplace of choice and that employees feel valued.

The City Council Approved FY 2025 – FY 2034 Capital Improvement Program (CIP) totals $2.40 billion, which represents a $4.2 million, or 0.2%, decrease from the Approved FY 2024 – FY 2033 CIP. The FY 2025 capital budget included projects such as the renovation of Alexandria's City Hall, funding associated with the School's George Mason Elementary School project, and funding associated with the City's contribution to the redevelopment efforts at the Landmark Mall site.

The Approved FY 2025 – FY 2034 Capital Improvement Program totals $2.40 billion. Non-City funds including Federal and State funds and private capital contributions contribute $442.0 million of this total from FY 2025 – FY 2034. The City portion from FY 2025 – FY 2034 is $2.0 billion. The total approved single year CIP for FY 2025 is $493.7 million, a decrease of $22.1 million compared to FY 2025 in last year's approved CIP, which is largely attributable to changes in the CIP resulting from the funding guidance provided to departments and Schools staff regarding capital funding availability.

Over the last five years, the City has maintained its fiscal strength as the result of the City Council's adoption of, and subsequent adherence to, the series of financial policies listed on page 12. These policies are aimed at (1) limiting debt and annual debt service requirements and (2) maintaining an appropriate General Fund balance to retain the City's AAA/Aaa bond ratings and to keep the City on firm financial footing. When City Council initially adopted the financial policies in 1987, the City's general obligation debt as a percentage of the real estate tax base was 1.4 percent. Because of the City's use of "pay-as-you-go" financing for many capital projects, the City has maintained superior debt ratios since their implementation in 1987. At the end of FY 2024, the City's debt to tax base ratio was 2.34 percent (including self-supported sewer project related debt). The City's financial policies encourage the use of surplus General Fund revenues and resources derived from spending less than the full budget to fund capital projects.

Additional information on the City's financial status can be found in the Management's Discussion and Analysis section of this report.

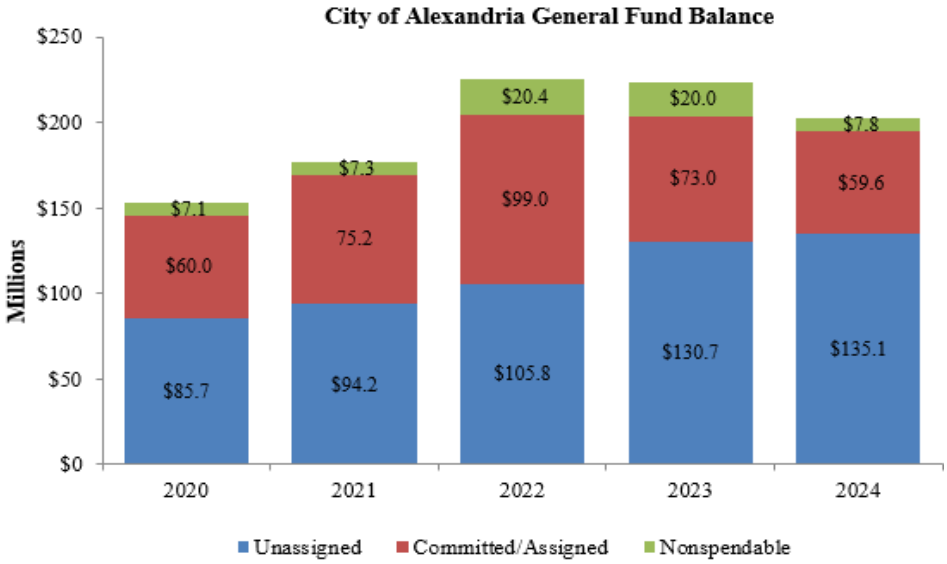
GENERAL GOVERNMENT FUNCTIONS

The following table displays the increases and decreases in assessed values for the last 10 years as appreciation and depreciation of existing properties and new properties. Overall real property assessed value for locally assessed property has increased by over $11.2 billion since 2015, which is a 30.7 percent increase. This includes a 0.3 percent increase from calendar year 2023 to 2024. Real property taxes, which are based on assessments as of January 1 of each year, are due in two payments. The first half of the real estate tax is due on June 15 and the second half of the tax is due on November 15.

Year	Residential Assessed Value	Residential % Increase (Decrease)	Commercial[1] Assessed Value	Commercial % Increase (Decrease)	Total[2] Assessed Value	Total % Increase (Decrease)
2015	21,195,995	4.3%	15,376,112	2.4%	36,572,107	3.5%
2016	21,713,189	2.4%	15,886,156	3.3%	37,599,345	2.8%
2017	22,092,997	1.7%	16,284,956	2.5%	38,377,953	2.1%
2018	22,844,036	3.4%	16,437,017	0.9%	39,281,053	2.4%
2019	23,310,833	2.0%	17,025,285	3.6%	40,336,118	2.7%
2020	24,550,610	5.3%	17,501,144	2.8%	42,051,754	4.3%
2021	26,029,769	6.0%	17,158,601	-2.0%	43,188,369	2.7%
2022	27,828,841	6.9%	18,074,465	5.3%	45,903,305	6.3%
2023	29,224,848	5.0%	18,430,001	3.8%	47,654,849	3.8%
2024	30,096,124	3.0%	17,693,119	-4.0%	47,789,243	0.3%

1. Includes apartment buildings.
2. Total assessed value includes only locally assessed property.

Each of the bars in the chart below is comprised of a single year snapshot and is not cumulative. The fund balance financial policies for the General Fund are one component of the City's overall financial strength and stability. At the end of FY 2024, the City's General Fund balance was $202.5 million and included a non-spendable fund balance of $7.8 million, commitments and assignments totaling $59.6 million, including $13.0 million assigned for future capital funding, leaving a remaining unassigned fund balance of $135.1 million. At the end of FY 2024 the City's ending General Fund balance condition was consistent with the City's established financial policies.



CAPITAL FINANCING AND DEBT MANAGEMENT

In conjunction with the annual operating budget preparation, the City Manager annually prepares a ten-year Capital Improvement Plan to provide for the financing of improvements to the City's public facilities. The first year of the program constitutes the capital budget for the current fiscal year; the remaining nine years serve as a planning guide. The City accounts for capital improvement expenditures in the Capital Projects Fund and finances the projects from the General Fund (including appropriations of Committed Fund Balance), general obligation debt, the sale of surplus property, and intergovernmental grant revenues. As noted above, the City's Capital Improvement Plan for FY 2025 through FY 2034 totals $2.4 billion, including $2.0 billion of City-funded public improvements to the City's schools, public buildings, parks, and transportation systems. In addition, state and federal grants and other non-City sources will provide $442.0 million in additional planned capital funding for the FY 2025—FY 2034 timeframe.

To continue a strategy of improving and then maintaining the City's creditworthiness, the City Council established the following key target and ceiling ratios as of June 30 of each year:

	Limit	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Target
Debt as a Percentage of Assessed Value	2.5% (ceiling)	1.46%	1.37%	1.43%	1.49%	1.44%	1.75%	1.61%	1.72%	1.96%	2.34%	N/A
Debt Service as a Percentage of General Governmental Expenditures[1]	12% (ceiling)	7.50%	7.84%	7.36%	7.19%	6.94%	6.68%	6.86%	6.23%	5.95%	7.64%	N/A
10-Year Debt Payout Ratio[2]	50% (floor)	-	-	70.27%	69.02%	70.90%	74.60%	76.20%	58.60%	66.80%	68.80%	65.00%
Spendable Fund Balance as a Percentage of General Fund Revenue	4% (floor)	11.70%	12.88%	15.96%	16.43%	18.48%	19.97%	22.62%	26.20%	24.15%	22.37%	5.50%
Net Position as a Percentage of General Governmental Revenue	4% (floor)	(5.97%)	(2.68%)	4.78%	8.97%	10.49%	14.37%	21.12%	39.00%	42.82%	32.51%	5.50%

[1] Data includes Schools and Library component units.
[2] The establishment of a 10-Year Debt Payout Ratio target of 50% formalizes the City's current practice of structuring debt with level principal payments. The new debt ratio was adopted by City Council on May 4, 2017.

The adopted financial policies include the following:

- The City will increase its reliance on current revenue to finance its capital improvements.
- The City will consider a designation for ‘pay-as-you-go’ capital a priority when additional General Fund resources become available at the end of a fiscal year.
- The City will not use General Fund equity to finance current operations for periods of longer than two years.
- The City will annually prepare a 10-year Capital Improvement Plan.
- The City will not issue tax or revenue anticipation notes to fund governmental operations.
- The City will not issue bond anticipation notes for a term of longer than two years.

The City's General Obligation Bonds have the top available ratings which were reaffirmed in November 2022 as follows:

Moody's Investors Service	**Standard & Poor's**
Aaa	AAA

BUDGETARY ACCOUNTING AND INTERNAL CONTROLS

The City Charter requires the City Manager to submit a balanced budget to City Council no later than the first regular meeting in April of each year. The School Board prepares the schools’ budget and transmits it to the City Manager. The City Manager then submits his or her recommendation to City Council for consideration. If Council does not adopt a budget before June 27, the budget submitted by the City Manager for the upcoming fiscal year has full force and effect as if Council had adopted it. For FY 2024, the City Manager proposed the budget on February 28, 2023, and City Council adopted it on May 3, 2023.

As a management tool, budgetary control is maintained in the General Fund at the character level (i.e., personnel, non-personnel, capital outlays) and by the encumbrance of estimated purchase amounts before the release of purchase orders to vendors. Management can transfer appropriations at the department appropriation level without approval from City Council. The City follows a similar procedure with the Special Revenue Fund, but the level of control is at the grant or program level. In the Capital Projects Fund, the level of control is at the project level. With the Schools' budget, the level of control is at the total appropriation level.

City management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse. Internal controls are intended to provide reasonable, but not absolute, assurance that these objectives are met. In addition to the examination of controls implemented by members of the Finance Department, the City's Internal Audit staff continually reviews and assesses the soundness and adequacy of the City's financial systems.

REPORT FORMAT

The City's Finance Department has prepared this Annual Comprehensive Financial Report to present all the information necessary to meet the needs of the many persons and groups that have an interest in the City's financial affairs. The objective of this report is to present financial information on a comparative basis with other governmental entities in Virginia and in accordance with established reporting standards. We believe the data is accurate in all material respects and is reported in a manner designed to present fairly the City's financial position and results of operations.

INDEPENDENT AUDIT

Section 5.18 of the City Charter requires an annual audit of the accounting and financial records of the City by independent certified public accountants. This section requires the auditors to examine the funds of the City in accordance with auditing standards generally accepted in the United States of America and the standards set forth in the Government Accountability Office's *Government Auditing Standards*. In addition, the auditors must conduct the compliance examinations required by the U.S. Office of Management and Budget's Uniform Guidance, and the *Specifications for Audits of Counties, Cities and Towns* issued by the Auditor of Public Accounts of the Commonwealth of Virginia.

The Alexandria City Council has selected the firm of CliftonLarsonAllen LLP to perform these audit services. Their completed audit reports are presented in the Financial Section of this report. The remaining reports will be presented in an additional Single Audit Section pending guidance from the U.S. Office of Management and Budget.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the City of Alexandria a Certificate of Achievement for Excellence in Financial Reporting for the City's Annual Comprehensive Financial Report (ACFR) in 2023. The GFOA awards a Certificate to governmental units that exemplify excellence in financial reporting and conform to stringent reporting requirements promulgated by that Association and various authoritative bodies.

To earn a Certificate of Achievement, an ACFR must tell its financial story clearly, thoroughly, and understandably. The report must be efficiently organized, employ certain standardized terminology and formatting conventions, minimize ambiguities and potentials for misleading inference, enhance understanding of current generally accepted accounting theory, and demonstrate a constructive "spirit of full disclosure."

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A Certificate is valid for a period of one year only. The City believes our current report continues to conform to the Certificate of Achievement Program requirements and standards. We are submitting it to GFOA to determine its eligibility for another certificate for FY 2024.

REPORTING REQUIREMENTS

As required by the U.S. Securities and Exchange Commission Rule 15c2-12, the City has agreed for the benefit of the owners of City general obligation bonds to provide each nationally recognized municipal securities information repository and to any appropriate state information depositor, if any is hereafter created, certain financial information not later than 270 days after the end of each of its fiscal years, commencing with the fiscal year ended June 30, 1996. The City is currently in compliance with the new arrangement to file this information through the Electronic Municipal Market Access (EMMA) website which is the comprehensive source for official statements, continuing disclosure documents, advance refunding documents and real time trade price information on all municipal securities. This ACFR provides the 15c2-12 general bond obligation bond information, which includes the “Debt Statement” found in Note 9 of Notes to the Financial Statements, a “Five Year Summary of General Fund Revenues and Expenditures” found in Table XXII, a summary of debt found in Table XXIII (Summary of Total General Obligation Bonds Debt Service), and “Tax Revenues by Source” found in Table III.

ACKNOWLEDGMENTS

We would like to express our appreciation to everyone in the City government who assisted with and contributed to the preparation of this report. Special recognition is extended to the Accounting Division for their dedicated pursuit of excellence and leadership in financial reporting.

Respectfully submitted,

Davidia Thompson

Kendel Taylor

Director of Finance

Davidia Thompson, CPM

Acting Comptroller

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Alexandria
Virginia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of the City Council
City of Alexandria, Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Alexandria, Virginia as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Alexandria, Virginia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Alexandria, Virginia as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City of Alexandria Library System, which represent 3.1 percent, (-2.5) percent, and 2.4 percent, respectively, of the assets, net position and revenues of the aggregate discretely presented component units as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Alexandria Library System is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Audit Specifications for Counties, Cities and Towns* (the "Specifications"), issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Alexandria, Virginia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the City of Alexandria Library System were not audited in accordance with *Government Auditing Standards or* the Specifications.

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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Alexandria, Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards,* and the Specifications will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Specifications we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Alexandria, Virginia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Alexandria, Virginia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A), budgetary comparison schedules, and the schedules relating to pensions and other postemployment benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Alexandria, Virginia's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2024, on our consideration of the City of Alexandria, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Alexandria, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Alexandria, Virginia's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
December 16, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the City of Alexandria's financial performance provides an overview of the City's financial activities for the fiscal year that ended June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FY 2024

The City's total Net Position, excluding component units, on a government wide basis, decreased by $27.1 million from $654.6 million to $627.5 million at June 30, 2024 (Exhibit I).

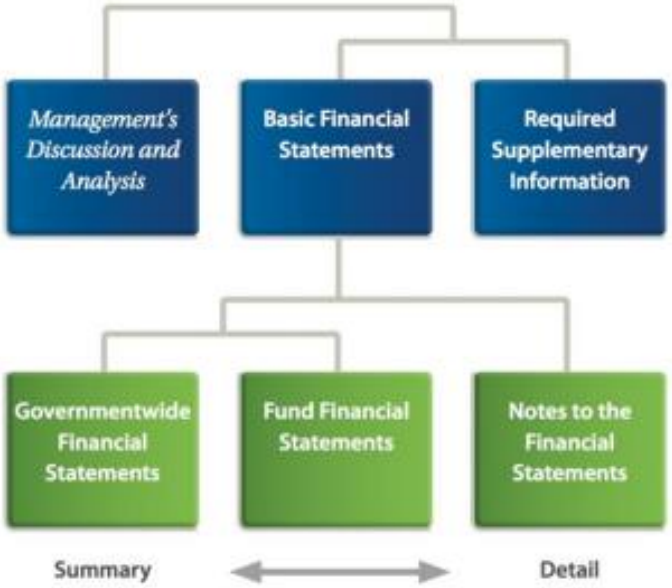
The government-wide activities had an unrestricted net position of $275.4 million (Exhibit I) as of June 30, 2024, a decrease of $70.5 million from the FY 2023 total of $345.9 million. The City's general revenues of $847.2 million in FY 2024 is an increase of $39.6 million compared to the general revenues of $807.6 million in FY 2023 (Exhibit II).

The General Fund reported current net change in fund balance of ($21.1) million (Exhibit IV), including a $64.6 million transfer to the capital projects fund and a $111.6 million transfer to the special revenue fund.

USING THE FINANCIAL SECTION OF THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT

This Annual Comprehensive Financial Report (ACFR) consists of three sections: introductory, financial, and statistical. As the following chart shows, the financial section of this report has four components - *management's discussion and analysis* (this section), *basic financial statements*, *required supplementary information* and *other supplementary information*.

Required Components of the Financial Report



The government-wide financial statements report information about the City using accounting methods like those used by private-sector companies. The government-wide financial statements provide both long-term and short-

term information about the City's overall financial position. The Statement of Net Position and the Statement of Activities, which are the government-wide statements, report information about the City's activities. These statements include all assets, liabilities, deferred outflows, and deferred inflows using the accrual basis of accounting. All the current year's revenues and expenses are reflected regardless of when cash is received or paid.

These two statements report the City's net position and changes in net position. The City's net position is the difference between (1) assets and deferred outflows of resources, and (2) liabilities and deferred inflows of resources. Net position is displayed in three components: Net investment in capital assets, Restricted, and Unrestricted. Over time, increases or decreases in the City's net position are indicators of whether its financial health is improving or deteriorating. To assess the overall health of the City, other nonfinancial factors need to be considered such as changes in the City's property tax base and the condition of the City's infrastructure.

The Statement of Net Position and the Statement of Activities include the following:

Governmental activities—Most of the City's basic services are reported here: General government, judicial administration, public safety, public works, library services, health and welfare, transit, culture and recreation, community development, and education.

Component units —The City includes two separate legal entities in its report - The City of Alexandria School Board and the Alexandria Library, respectively Schools and Library. Although legally separate, these component units are included because the City is financially accountable for them and provides operating and capital funding to them.

FUND FINANCIAL STATEMENTS

The fund financial statements provide additional information about the City's most significant funds, not the City as a whole. The fund financial statements focus on the individual parts of the City's government.

The City has three kinds of funds:

Governmental funds—Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are greater or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided at the bottom of the governmental funds statements to explain the relationship (or differences) between them.

Proprietary funds—Services for which the City charges customers or City users a fee, are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information.

The City uses an internal service fund (one kind of proprietary fund) to report activities that provide supplies and services for the City's other programs and activities. The Equipment Replacement Reserve Fund is the City's only internal service fund. Its primary purpose is to provide for the accumulation of money to replace capital equipment used in City operations.

Fiduciary funds—The City is the trustee or fiduciary for its employees' pension plans and employee benefit funds. It is also responsible for other assets (known as custodial funds) that, because of an agreement, can be used only for the beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the City's fiduciary activities are reported in a separate statement

of fiduciary net position and a statement of changes in fiduciary net position. Custodial funds are City funds used to provide accountability of client monies, for which the City is custodian. The City excludes pension plans and custodial funds from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Statement of Net Position

The following table presents the condensed Statement of Net Position:

Table 1
Summary of Net Position
As of June 30, 2024 and 2023
(in millions)

	Primary Government			
	Governmental Activities		Component Units	
	2024	2023	2024	2023
ASSETS				
Current and other assets	$ 1,154	$ 1,129	$ 110	$ 108
Capital assets	1,430	1,273	43	39
Total Assets	2,584	2,402	153	147
Deferred Outflows	114	101	75	76
LIABILITIES				
Other Liabilities	90	92	59	48
Long-term liabilities	1,341	1,132	30	32
Net Pension/OPEB Liability	205	192	264	260
Total Liabilities	1,636	1,416	353	340
Deferred Inflows	434	432	51	66
NET POSITION				
Net Investment in Capital Assets	334	280	21	21
Restricted	32	29	26	31
Unrestricted	261	346	(222)	(235)
Total Net Position	$ 627	$ 655	$ (175)	$ (183)

Amounts may not add due to rounding.

The City's Net Position decreased $27.1 million from its Net Position of $654.6 million to $627.5 million (Table 1).

The following chart shows the revenue and expenses of government activities:

Table 2
Summary of Changes in Net Position
For the Fiscal Years Ended June 30, 2024 and 2023
(in millions)

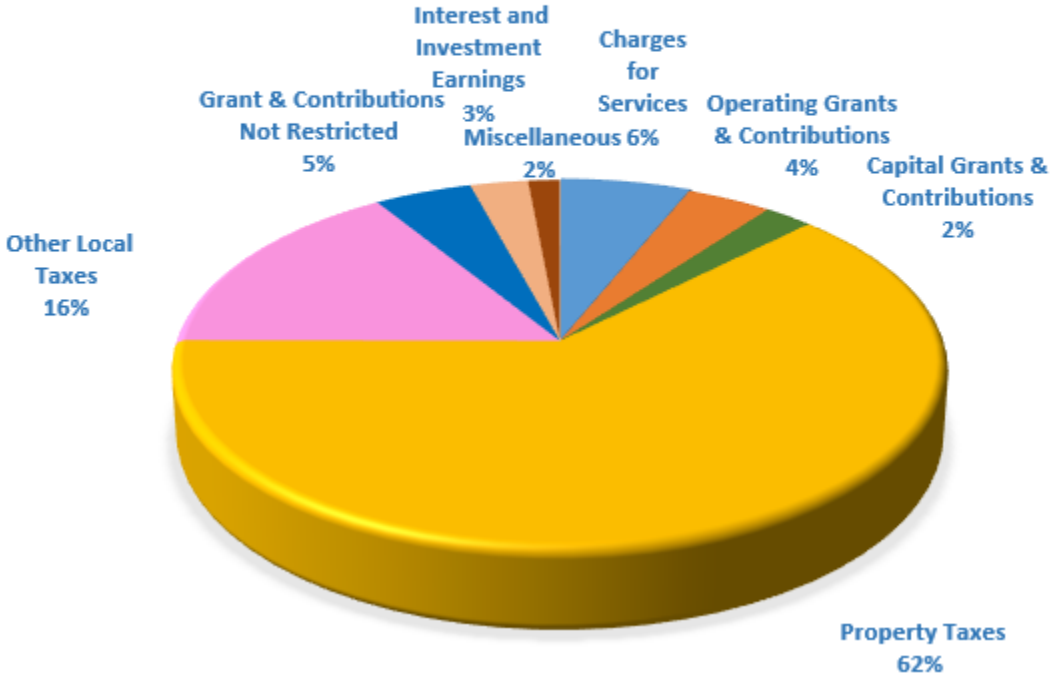
	Primary Government			
	Governmental Activities		Component Units	
	2024	2023	2024	2023
REVENUES				
Program revenues				
Charges for services	$ 60	$ 87	$ 3	$ 3
Operating grants and contributions	39	131	45	47
Capital grant/contributions	23	21	-	-
General revenues				
Property taxes	605	585	-	-
Other taxes	155	163	-	-
Other	72	57	-	-
Payment to/from City	15	3	351	328
Total Revenues	969	1,047	399	378
EXPENSES				
General Government	80	68	-	-
Judicial Administration	26	25	-	-
Public Safety	174	168	-	-
Public Works	141	145	-	-
Library	8	8	9	8
Health and Welfare	73	78	-	-
Transit	47	58	-	-
Culture and Recreation	46	37	-	-
Community Development	62	57	-	-
Education	309	377	382	349
Interest on Long-term Debt	31	27	-	-
Total Expenses	997	1,048	391	357
Change in Net Position	(28)	(1)	8	21
Net Position beginning of Year	655	656	(183)	(204)
Net Position end of Year	$ 627	$ 655	$ (175)	$ (183)

Amounts may not add due to rounding.

REVENUE

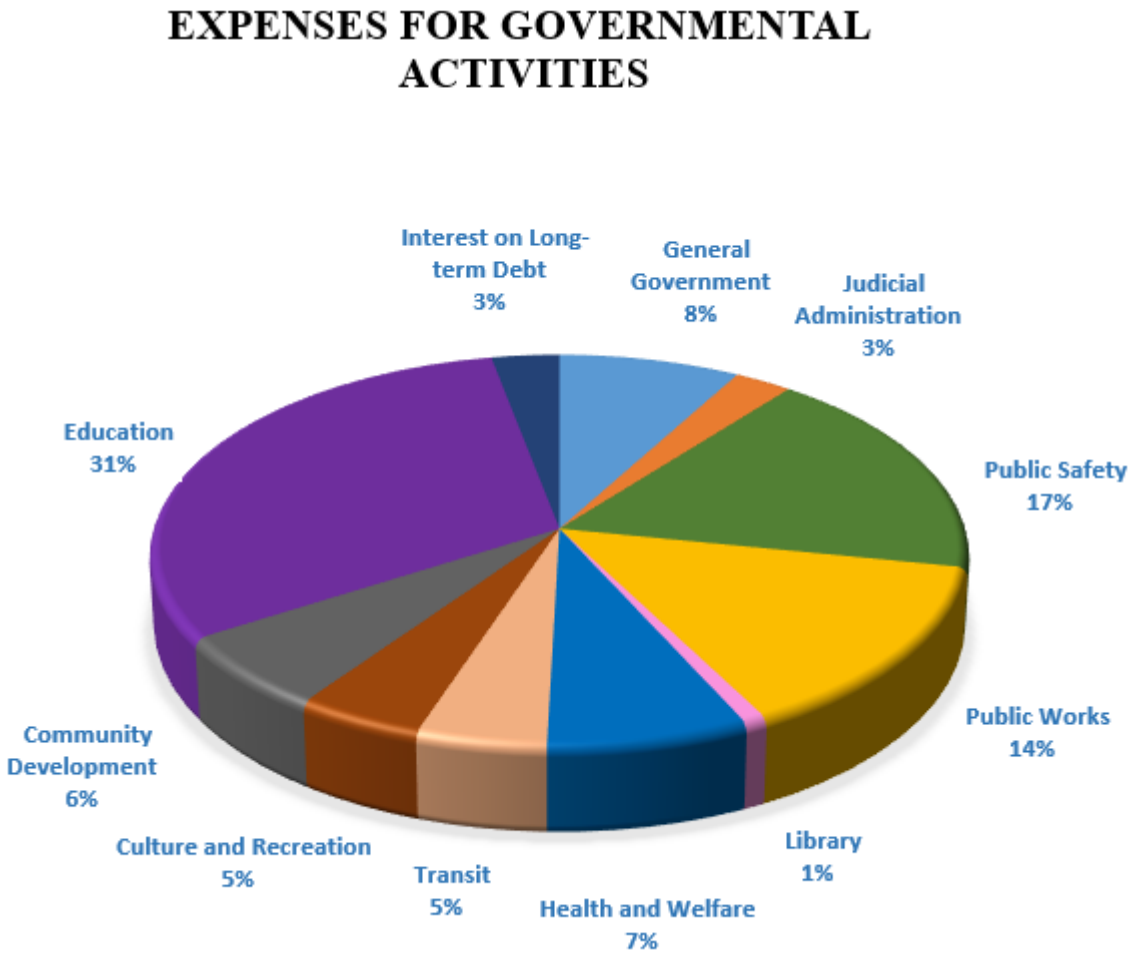
For the fiscal year ending June 30, 2024, revenues for governmental activities totaled $969.1 million, a decrease of $78.2 million from the FY 2023 total of $1,047.3 million (Table 2). The decrease in operating grants of $92.0 million largely reflects the decline in pandemic-related funding from all programmatic sources. Revenue from Charges for Services decreased by $27.3 million and is largely impacted by a decrease in sewer-related fees. Offsetting these decreases were increases in general revenues of $39.7 million. Property tax revenues from both real estate and vehicle personal property increased in FY 2024. The City's limited supply of properties for sale helped drive a 4 percent increase in the residential tax base and vehicle values continued to depreciate at rates much lower rate than in prior years. Interest rates were higher than in previous years, contributing to a $6.2 million increase in Revenue from Use of Money and Property.

REVENUE FOR GOVERNMENTAL ACTIVITIES



EXPENSES

For the fiscal year ending June 30, 2024, expenses for governmental activities totaled $996.2 million, a decrease of $52.2 million from FY 2023 (Table 2). The decreases in expenses occurred primarily in the Capital fund, where project spending levels vary in timing. In addition, FY 2023 had a significant one-time increase of cash capital for affordable housing and other cash capital funded project from ARPA resources. Cash capital in FY 2023 was $67.9 million and in FY 2024, it is only $48.4 million. FY 2024 capital projects included investments in public buildings and schools, including the new campus of the Alexandria City High School and the continued redevelopment of Landmark Mall.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

For the fiscal year ended June 30, 2024, the governmental funds reflect a combined fund balance of $638.7 million (Exhibit III). The Total Governmental Funds fund balance increase of $0.5 million was driven primarily by a $13.7 million increase in the Capital Projects Fund and a $7.7 million increase to the Special Revenue fund, offset by a decrease in the General Fund of $21.1 million. Bond proceeds of more than $246 million were issued for capital projects that will be constructed over the next several years to include the renovation of City Hall and Market Square. The increase in the Capital Projects Fund balance is largely due to the new proceeds, but the City has also borrowed according to annual cashflow needs and nearly all prior year proceeds and receivables have been exhausted. The

Special Revenue Fund Balance increase reflects the multi-year nature of programs and initiatives, in which the timing of revenue and expenditures crosses fiscal years. The decrease in the General Fund is due largely to a change in timing treatment for debt service payments $13.7 million. In total, the City budgeted for a $36.4 million use of fund balance. This included $17.5 million to fund the operating budget, $10 million for capital projects and the remainder for incomplete projects.

- The General Fund contributed $48.4 million to pay-as-you-go financing of capital projects, which represented 5.3 percent of all General Fund expenditures (excluding bond refunding).
- The City contributed $258.7 million to the Schools operating budget. The ACPS share of total debt service was $32.2 million.
- The City spent $339.7 million in the Capital Projects Fund, the most notable projects being: Minnie Howard High School Campus; Bridge Repair and Street Reconstruction, the City's contributions to WMATA's capital program and redevelopment of the Landmark Mall site.

Except for non-spendable and restricted fund balances (Exhibit III), there are no significant limitations on fund balances that would affect the availability of fund resources for future uses.

GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3
General Fund Budget
(in millions)

	2024		
	Original Budget	**Amended Budget**	**Actual**
Revenues, Transfers, and Other Financial Sources			
Taxes	$ 602	$ 602	$ 602
Other Local Taxes	150	150	159
Transfers and Other	117	118	125
Total	869	870	886
Expenditures, Transfers, and Other Financial Uses			
Expenditures	467	499	491
Transfers and Other	406	418	416
Total	873	917	907
Change in Fund Balance	$ (4)	$ (47)	$ (21)

Amounts may not add due to rounding.

Actual General Fund revenues and other financial sources exceeded the amended budget by $16 million during FY 2024. Including supplemental appropriations, actual General Fund expenditures were less than the amended budget by $10 million. One of the most significant areas of variance in General Fund revenues is in Use of Money and Property. The interest rates used to estimate revenues in the FY 2024 General Fund budget were lower than actual interest rates during the year. This contributed to $10.1 million of the revenue variance. Other local taxes were $8.7 million more than budgeted, including increases to Transient lodging tax revenue of $3.7 million and Business tax revenue of $2.4 million. Additionally, Urban Highway Maintenance revenue exceeded budget by $2.0 million and

revenue from the newly installed school zone speed cameras generated $2.4 million in revenue. These revenue increases were offset by $11 million in revenue recognition adjustments to Intergovernmental revenue and Miscellaneous revenue.

The expenditure variance is largely due to vacancies and turnover across multiple City departments, as well as a decision by City Council to use reappropriated prior year surplus to support the Capital Improvement Program in future years.

During FY 2024, the City Council amended the budget three times. These budget amendments, or supplemental appropriation ordinances, were primarily for the following purposes:

- To reappropriate monies to pay for commitments in the form of encumbrances established prior to June 30, 2023, but not paid by that date.
- To reappropriate monies to pay for projects budgeted for FY 2023 but not completed before the end of the fiscal year.
- To reappropriate grant, donation and other revenues authorized in FY 2023 or earlier, but not expended or encumbered as of June 30, 2023.
- To appropriate grants, donations, and other revenues accepted or adjusted in FY 2024.

CAPITAL ASSETS

At the end of FY 2024, the City's governmental activities had invested cumulatively $1.4 billion (Note 5) in a variety of capital assets and infrastructure, as reflected in the following schedule, which represents a net increase of $157.5 million. The primary drivers of this increase are construction in progress for the High School Capacity project and the Landmark Redevelopment project and the completion of the Douglas MacArthur Elementary School, which opened for students in August 2023.

Table 4
Governmental Activities
Capital Assets
(in millions)

	Balance 6/30/2023	Net Additions/ (Deletions)	Balance 6/30/2024
Non-Depreciable Assets			
Land and Land Improvements	$ 182.5	$ -	$ 182.5
Construction in Progress	250.2	83.0	333.2
Other Capital Assets			
Intangible Assets	26.4	-	26.4
Buildings	927.3	87.1	1,014.4
Infrastructure	350.5	14.0	364.5
Furniture and Other Equipment	223.5	20.0	243.5
Accumulated Depreciation and Amortization	-		-
Capital Assets	(687.3)	(46.6)	(733.9)
Total Capital Assets	$ 1,273.1	$ 157.5	$ 1,430.6

Amounts may not add due to rounding.

The City Council Approved FY 2025 – FY 2034 Capital Improvement Program (CIP) totals $2.40 billion, which represents a $4.2 million, or 0.2%, decrease from the Approved FY 2024 – FY 2033 CIP. The FY 2025 capital budget included projects such as the renovation of Alexandria's City Hall and Market Square, funding associated with the School's George Mason Elementary School project, and funding associated with the City's contribution to the redevelopment efforts at the Landmark Mall site.

LONG-TERM DEBT

At the end of FY 2024, the City had $1.135 billion in outstanding general obligation bonds, an increase of $246.6 million from last year's outstanding bonds of $946.1 million. More detailed information about the City's long-term liabilities is presented in Note 9 of the financial statements.

In October 2023, Moody's Investors Services, Inc., and Standard & Poor's (S&P) credit rating agencies reaffirmed the City's triple-A bond ratings. The City received its first Aaa rating from Moody's in 1986 and the AAA rating from S&P in 1992. Standard and Poor's cited the City's "very strong" economy, fiscal management, budgetary flexibility, and liquidity as it again rated the City's credit as AAA. Moody's noted the City's tax base, relatively high per capita income, and sound fiscal policies and management in assigning its Aaa rating.

The Commonwealth of Virginia limits the amount of general obligation debt the City can issue to 10 percent of the assessed value of real property within the City. The City's outstanding debt is significantly below, or less than one-tenth of this state law limit—which would equate to $4.8 billion for the City.

ECONOMIC FACTORS

Alexandria's economy remains healthy with strong foundational indicators, including population and wage growth, and low unemployment. The City's population continues to grow and, per the 2020 Census, totals 159,467, which reflects a growth rate of 13.9 percent over the last decade. The estimated population in 2024 is 166,000, which reflects a 0.2 percent increase over the estimated 2023 population.

Total employment in the City in the first quarter of 2024 was 80,746. This compares to 81,126 in the same quarter of 2023. The decrease in jobs of 380 is due to a decline in the federal government presence in the City. The decrease in federal employees is offset by an increase in private employment. Private employers accounted for 78.9 percent of all jobs as compared to 77.9 percent in 2023. Government entities (federal, state and local) accounted for 17,899 jobs in 2023, which is 25.7 percent of the total. Government is led by prominent federal agencies, including the U.S. Department of Defense, the U.S. Department of Agriculture, and the U.S General Services Administration.

Median family income in Alexandria in 2022 increased from $137,335 to $149,526, an increase of 8.9 percent compared to 2021. These are the most recent years that data is available from the U.S Bureau of Economic Analysis. Per capita income has also grown, from $103,831 to $105,239. This increase of $1,408 is a growth of 1.4 percent compared to 2021. Both median family income and per capita income are significantly higher compared to similar jurisdictions in Virginia and the United States.

The real estate tax base, which generates over half of the City's General Fund revenues, remained positive in 2024. Total locally assessed real property increased in value by 0.3 percent compared to 2023. Residential real property increased by 3.0 percent, but commercial assessments decreased by 4.0 percent. The office vacancy rate of 15.5 percent in the second quarter of 2024 which is slightly higher compared to 2nd quarter 2023 (14.6 percent) and compares favorably to the office vacancy rate in Northern Virginia of 20.2 percent and the Washington DC Metro area rate of 19.8 percent. The unemployment rate in the City as of June 2024 was 2.4 percent, which compares favorably to Virginia (3.0 percent) and the United States (4.3 percent).

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, businesses, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Kendel Taylor, Director of Finance, City Hall, P.O. Box 178, Alexandria, VA 22313, kendel.taylor@alexandriava.gov, telephone (703) 746-3900, or visit the City's web site at alexandriava.gov.

BASIC
FINANCIAL STATEMENTS

CITY OF ALEXANDRIA, VIRGINIA
Statement of Net Position
June 30, 2024

Exhibit I

	Primary Government	
	Governmental Activities	**Component Units**
ASSETS		
Cash and Investments	$ 546,060,420	$ 73,969,182
Cash and Investments with Fiscal Agents	177,966,886	5,369,570
Receivables, Net	384,936,552	239,074
Opioid Settlement Receivable	1,917,423	-
Lease Receivable	14,005,832	-
Due From Other Governments	15,345,840	16,976,499
Inventory of Supplies	7,664,185	228,734
Prepaid and Other Assets	1,084,399	2,259,640
Net Pension Asset	5,016,115	11,179,336
Capital Assets:		
Land and Construction in Progress	514,623,165	999,381
Other Capital Assets, Net	915,236,325	42,067,993
Capital Assets, Net	1,429,859,490	43,067,374
Total Assets	2,583,857,142	153,289,409
DEFERRED OUTFLOWS		
Pension	99,763,756	69,126,832
OPEB	2,894	5,599,391
Deferred related to Refunding Bonds	13,846,596	-
Total Deferred Outflows of Resources	113,613,246	74,726,223
LIABILITIES		
Accounts Payable	27,877,867	35,081,724
Accrued Wages	8,203,848	15,704,171
Accrued Liabilities	1,127,998	-
Unearned Revenue	17,386,188	7,888,108
Other Liabilities	10,832,809	-
Deposits	24,634,174	-
Long-term Liabilities Due Within One Year	91,411,115	6,593,022
Long-term Liabilities Due in More Than One Year	1,249,095,388	23,490,727
Net Pension Liability	195,669,555	233,090,773
Net OPEB Liability	9,417,967	31,062,159
Total Liabilities	1,635,656,908	352,910,684
DEFERRED INFLOWS		
Deferred Inflows Related to Future Periods	383,882,619	-
Deferred Inflows Related to Lease	13,600,119	-
Pension	24,287,287	38,211,177
OPEB	10,595,239	12,765,604
Opioid Settlement Receivable	1,917,423	-
Total Deferred Inflows of Resources	434,282,687	50,976,781
NET POSITION		
Net Investment in Capital Assets	333,967,712	20,789,233
Restricted for:		
Affordable Housing	16,177,528	-
Special Projects	8,910,234	-
Net Pension Assets	5,016,115	11,179,336
Educational Projects	-	14,379,126
Opioid Settlement	1,917,423	-
Unrestricted	261,541,782	(222,219,528)
Total Net Postion	$ 627,530,793	$ (175,871,833)

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Exhibit II

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expense) Revenue and Changes in Net Position – Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Units
Primary Government:						
Governmental Activities:						
General Government	$ 79,957,157	$ 826,080	$ 11,080,042	$ -	$ (68,051,035)	$ -
Judicial Administration	25,534,553	137,036	892,377	-	(24,505,140)	-
Public Safety	174,363,289	3,318,719	1,274,115	-	(169,770,455)	-
Public Works	141,536,185	42,530,510	129,118	21,828,552	(77,048,005)	-
Library	8,057,956	-	-	-	(8,057,956)	-
Health and Welfare	72,537,012	5,155,050	18,289,656	-	(49,092,306)	-
Transit	46,927,180	236,897	7,017,429	-	(39,672,854)	-
Culture and Recreation	45,865,227	6,127,689	46,282	-	(39,691,256)	-
Community Development	62,067,134	1,570,711	706,654	764,865	(59,024,904)	-
Education	308,481,036	-	-	-	(308,481,036)	-
Interest on Long-term Debt	30,894,303	-	-	-	(30,894,303)	-
Total Governmental Activities	996,221,032	59,902,692	39,435,673	22,593,417	(874,289,250)	-
Total Primary Government	996,221,032	59,902,692	39,435,673	22,593,417	(874,289,250)	-
Component Units:						
Schools	381,903,015	3,435,237	44,715,419	-	-	(333,752,359)
Library	10,228,696	209,157	260,700	-	-	(9,758,839)
Total Component Units	$ 392,131,711	$ 3,644,394	$ 44,976,119	$ -	$ -	$ (343,511,198)
General Revenues						
Property Taxes:						
Real Estate					532,508,153	-
Personal Property					72,944,980	-
Other Local Taxes:						
Business License					42,808,499	-
Local Sales					40,128,613	-
Meals					31,601,200	-
Transient Lodging					14,913,657	-
Utility					12,685,009	-
Communications Sales					7,117,612	-
Other Local Taxes					6,258,986	-
Revenue from Primary Government						
Payment from City of Alexandria Operating					-	284,795,725
Grants & Contributions Not Restricted to Specific Programs					44,974,207	63,960,503
Interest and Investment Earnings					26,663,141	546,075
Miscellaneous					14,606,876	1,179,803
Total General Revenues					847,210,933	350,482,106
Change in Net Postion					(27,078,317)	6,970,908
Net Position at Beginning of Year					654,609,110	(182,842,741)
Net Position at End of Year					$ 627,530,793	$ (175,871,833)

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Balance Sheet
Governmental Funds
June 30, 2024

Exhibit III

	General	Special Revenue	Capital Projects	Alexandria Transit Company	Total Governmental Funds
ASSETS					
Cash and Investments	$ 254,126,191	$ 151,087,318	$ 125,709,421	$ 1,820,128	$ 532,743,058
Cash and Investments with Fiscal Agents	-	-	177,966,886	-	177,966,886
Receivables, Net	370,548,332	14,388,220	-	-	384,936,552
Opioid Settlement Receivable	-	1,917,423	-	-	1,917,423
Lease Receivables	14,005,832	-	-	-	14,005,832
Due From Other Governments	7,683,150	7,598,270	64,420	-	15,345,840
Inventory of Supplies	6,570,826	-	-	1,093,359	7,664,185
Prepaid and Other Assets	854,584	-	-	229,815	1,084,399
Total Assets	653,788,915	174,991,231	303,740,727	3,143,302	1,135,664,175
LIABILITIES					
Accounts Payable	10,123,279	4,003,890	12,633,240	511,508	27,271,917
Due to Other Goverments	333,007	-	-	-	333,007
Accrued Wages	5,260,089	1,762,755	210,456	970,548	8,203,848
Other Liabilities	18,487,575	-	1,144,571	121,366	19,753,512
Deposits	24,634,174	-	-	-	24,634,174
Unearned Revenue	4,923,580	12,462,608	-	-	17,386,188
Total Liabilities	63,761,704	18,229,253	13,988,267	1,603,422	97,582,646
DEFERRED INFLOWS					
Deferred Inflows from Taxes	373,912,267	9,970,352	-	-	383,882,619
Opioid Settlement Receivable	-	1,917,423	-	-	1,917,423
Deferred Inflows Related to Lease	13,600,119	-	-	-	13,600,119
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	451,274,090	30,117,028	13,988,267	1,603,422	496,982,807
FUND BALANCES					
Non-Spendable	7,825,410	-	-	1,539,880	9,365,290
Restricted	-	25,082,530	177,966,886	-	203,049,416
Committed	13,123,826	119,791,673	111,785,574	-	244,701,073
Assigned	46,492,992	-	-	-	46,492,992
Unassigned	135,072,597	-	-	-	135,072,597
Total Fund Balances	202,514,825	144,874,203	289,752,460	1,539,880	638,681,368
Total Liabilities and Fund Balances	$ 653,788,915	$ 174,991,231	$ 303,740,727	$ 3,143,302	

Adjustments for the Statement of Net Position:

(1) Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. (Note 5)	1,369,814,328
(2) Other long-term assets are not available to pay for current period expenditures; deferred outflow related to refunding bonds. (Note 1)	13,846,596
(3) Deferred inflows of resources related to OPEB & Pensions. (Note 16 & 17)	(34,882,526)
(4) Deferred outflows of resources related to OPEB & Pensions. (Note 16 & 17)	99,766,650
(5) Internal service funds are used by management to charge the costs of equipment replacement to City Departments; and, therefore, the assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position. (Exhibit V)	16,156,734
(6) Alexandria Transit Company is blended in to the primary government, and therefore, the assets and liabilities are included in govermental activites in the statement of Net Position. (Note 5)	31,929,686
(7) Long-term liabilities, including bonds payable, are not reported as liabilities in the governmental funds. (Note 9)	(1,537,801,320)
(8) Right to use leased and subscription assets used (net of amortization) in govermental actvities are not financial resources and therefore are not reported in the funds (Note 5)	25,003,162
(9) Net Pension Asset recorded for the amount of Plan Fiduciary Net Position in excess of Total Pension Liability, included in the Statement of Net Position (Note 17)	5,016,115
Total Net Postion	$ 627,530,793

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Statement of Revenues, Expenditures and Changes Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

Exhibit IV

	General	Special Revenue	Capital Projects	Alexandria Transit Company	Total Governmental Funds
REVENUES					
General Property Taxes	$ 601,982,933	$ 1,720,931	$ -	$ -	$ 603,703,864
Other Local Taxes	158,907,657	7,695,570	425,130	-	167,028,357
Permits, Fees, and Licenses	3,026,166	8,926,754	-	-	11,952,920
Fines and Forfeitures	6,131,452	-	-	-	6,131,452
Use of Money and Property	30,017,827	1,389,467	11,505,133	-	42,912,427
Charges for Services	17,374,352	42,420,231	108,143	229,908	60,132,634
Intergovernmental Revenue	35,610,144	53,114,444	22,593,416	7,017,429	118,335,433
Interest from Leases	358,798	-	-	-	358,798
Miscellaneous	16,988,115	7,059,988	2,725,555	148,164	26,921,822
Total Revenues	870,397,444	122,327,385	37,357,376	7,395,501	1,037,477,707
EXPENDITURES					
Current Operating:					
General Government	61,428,813	2,968,791	-	-	64,397,604
Judicial Administration	25,888,578	1,762,539	-	-	27,651,117
Public Safety	168,796,690	13,125,356	-	-	181,922,046
Public Works	35,468,255	27,109,787	-	-	62,578,042
Library	8,336,066	-	-	-	8,336,066
Health and Welfare	26,419,155	91,216,813	-	-	117,635,968
Transit	17,143,919	-	-	37,255,806	54,399,725
Culture and Recreation	32,032,575	3,392,550	-	-	35,425,125
Community Development	25,420,425	7,049,841	-	-	32,470,266
Education	258,686,800	-	17,772,859	-	276,459,659
Debt Service:					
Principal	61,041,378	-	-	-	61,041,378
Interest and Other Charges	36,627,810	10,447,268	-	-	47,075,078
Capital Outlay	-	-	339,661,883	-	339,661,883
Total Expenditures	757,290,464	157,072,945	357,434,742	37,255,806	1,309,053,957
Excess (Deficiency) of Revenues Over (Under) Expenditures	113,106,980	(34,745,560)	(320,077,366)	(29,860,305)	(271,576,250)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt	-	-	246,635,000	-	246,635,000
Bond Premium (Discount)	-	-	25,493,331	-	25,493,331
Transfers In	15,045,709	111,598,479	64,566,781	30,248,594	221,459,563
Transfers Out	(149,290,681)	(69,163,414)	(3,005,468)	-	(221,459,563)
Total Other Financing Sources and Uses	(134,244,972)	42,435,065	333,689,644	30,248,594	272,128,331
Total other financing sources (uses)	(134,244,972)	42,435,065	333,689,644	30,248,594	272,128,331
Net Change in Fund Balance	(21,137,992)	7,689,506	13,612,278	388,289	552,081
Fund Balance at Beginning of Year	223,690,191	137,184,697	276,140,182	1,151,591	638,166,661
Increase/(Decrease) in Reserve for Inventory	(37,374)	-	-	-	(37,374)
Fund Balance at End of Year	$ 202,514,825	$ 144,874,203	$ 289,752,460	$ 1,539,880	638,681,368

Adjustments for the Statement of Activities:

(1)	Repayment of bond principal and payment to bond escrow agent are reported as an expenditure and other financing uses in the govermental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. (Note 9)	57,767,000
(2)	Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense and donated assets to allocate those expenditures over the life of the assets. This is the amount by which new capital assets exceeded capital expenditures in the current period. (Note 5)	151,550,605
(3)	Governmental funds report pension & OPEB contributions as expenditures, however in the statement of activities the cost of pension & OPEB benefits earned net of employee contributions is reported as pension & OPEB expense. (Note 9)	(2,138,687)
(4)	Issuance of debt, refunding bonds and premium provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the Statement of Net Position. (I	(272,128,331)
(5)	Net effect of implementing GASB 87	3,274,378
(6)	Some expenses reported in the Statement of Activities do not require the use of current resources and therefore are not reported as expenditures in governmental funds. (Note 9)	22,607,344
(7)	The net revenue of the internal service fund (except depreciation which is reported in capital outlays above) is reported with governmental activities. (Exhibit VI)	(1,604,228)
(8)	Change in net pension & OPEB liability. (Note 9)	13,078,894
	Change in net Postion	$ (27,078,317)

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Statement of Net Position
Proprietary Funds – Internal Service Fund
June 30, 2024

Exhibit V

ASSETS		
Current Assets:		
Cash and Cash Equivalents	$	13,317,362
Total Current Assets		13,317,362
Capital Assets:		
Land		
Buildings and Equipment		49,179,303
Less Accumulated Depreciation		(46,066,989)
Capital Assets, Net		3,112,314
Total Noncurrent Assets		3,112,314
Total Assets	$	16,429,676
LIABILITIES		
Accounts Payable		272,942
Total Liabilities		272,942
NET POSITION		
Net Investment in Capital Assets		3,112,314
Unrestricted Net Position		13,044,420
Total Net Position		16,156,734
Total Liabilities and Net Position	$	16,429,676

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Statement of Revenue, Expenses, and Change in Net Position
Proprietary Funds – Internal Service Fund
For the Fiscal Year Ended June 30, 2024

Exhibit VI

OPERATING REVENUES		
Charges for Services	$	5,284,290
Total Operating Revenues		5,284,290
OPERATING EXPENSES		
Materials and Supplies		6,888,518
Depreciation		1,986,720
Total Operating Expenses		8,875,238
Operating Loss		(3,590,948)
NON-OPERATING REVENUES (EXPENSES)		
Loss on disposal of capital asset, net		(57,476)
Total Non-Operating Expenses		(57,476)
Net Loss Before Transfers and Contributions		(3,648,424)
Change in Net Position		(3,648,424)
Net Position at Beginning of Year		19,805,158
Net Position at End of Year	$	16,156,734

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Statement of Cash Flows
Proprietary Funds – Internal Service Fund
For the Fiscal Year Ended June 30, 2024

Exhibit VII

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts From Customers	$	5,284,290
Reduction in Payments to Suppliers		(7,048,867)
Net Cash Provided by Operating Activities		(1,764,577)
Net Increase in Cash and Cash Equivalents		(1,764,577)
Cash and Cash Equivalents at Beginning of Year		15,081,939
Cash and Cash Equivalents at End of Year		13,317,362
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Loss		(3,590,948)
Adjustments:		
(1) Cash flows reported in other categories:		
Interest and dividends		
Depreciation Expense		1,986,720
(2) Effect of changes in Operating Assets and Liabilities:		
Accounts Payable		(160,349)
Net Cash Provided by Operating Activities	$	(1,764,577)

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Statement of Fiduciary Net Position
June 30, 2024

Exhibit VIII

	Employee Benefit Trust Funds	Private-Purpose Trusts	Custodial Funds
ASSETS			
Cash and Short-term Investments	$ -	$ -	$ 157,751
Investments, at Fair Value:			
U.S. Government Obligations			
LGIP/CDARS/Commercial Paper	-	7,601	-
Mutual Funds	216,677,905	-	-
Stocks	133,156,041	-	-
Guaranteed Investment Accounts	24,761,188	-	-
Real Estate	51,266,568	-	-
Timber/Private Equity	78,430,519	-	-
Other Investments	304,591,071	-	-
Total Investments	808,883,292	7,601	-
Receivables		-	-
Total Assets	808,883,292	7,601	157,751
NET POSITION			
Restricted For			
Pension Benefits	679,850,178	-	-
Other Post Employment Benefits	129,033,114	-	-
Other Purposes	-	7,601	157,751
Total Net Position	$ 808,883,292	$ 7,601	$ 157,751

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Statement of Changes in Fiduciary Net Position
For the Year ended June 30, 2024

Exhibit IX

	Employee Benefit Trust Funds	Private-Purpose Trusts	Custodial Funds
ADDITIONS			
Contributions:			
Employer	$ 27,516,782	$ -	$ 47,880
Plan Members	6,669,574	-	-
Total Contributions	34,186,356	-	47,880
Investment Earnings:			
Net Appreciation (Depreciation) in Fair Value of Investments	48,389,095	-	-
Interest	14,853,924	542	13
Investment Expense	(1,371,687)	-	-
Net Investment Income	61,871,332	542	13
Total Additions	96,057,688	542	47,893
DEDUCTIONS			
Benefits	42,132,102	-	-
Refunds of Contributions	526,445	-	-
Administrative Expenses	1,848,884	-	-
Total Deductions	44,507,431	-	-
Change in Net Position	51,550,257	542	47,893
Net Position at Beginning of Year	757,333,035	7,059	109,858
Net Position at End of Year	$ 808,883,292	$ 7,601	$ 157,751

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Combining Statement of Net Position
Component Units
June 30, 2024

Exhibit X

	Schools	Library	Total
ASSETS			
Cash and Investments	$ 74,064,054	$ (94,872)	$ 73,969,182
Cash and Investments with Fiscal Agents	738,691	4,630,879	5,369,570
Receivables	236,816	2,258	239,074
Due from Other Governments	16,930,142	46,357	16,976,499
Inventory of Supplies	228,734	-	228,734
Net Pension Assets	11,179,336	-	11,179,336
Prepaid and Other Assets	2,163,522	96,118	2,259,640
Capital assets			
Land	999,381	-	999,381
Construction-in-progress	3,917,852	-	3,917,852
Other Capital Assets, Net	38,150,141	-	38,150,141
Capital Assets, Net	43,067,374	-	39,149,522
Total Assets	148,608,669	4,680,740	153,289,409
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	69,126,832	-	69,126,832
OPEB	5,599,391	-	5,599,391
Total Deferred Outflows of Resources	74,726,223	-	74,726,223
Total Assets and Deferred Outflows of Resources	223,334,892	4,680,740	228,015,632
LIABILITIES			
Accounts Payable	34,651,773	429,951	35,081,724
Accrued Wages	15,568,622	135,549	15,704,171
Unearned Revenue	7,888,108	-	7,888,108
Long-term Liabilities Due Within One Year	6,575,404	17,618	6,593,022
Long-term Liabilities Due in More Than One Year	23,486,244	4,483	23,490,727
Net Pension Liabilities	233,090,773	-	233,090,773
Net OPEB Liabilities	31,062,159	-	31,062,159
Total Liabilities	352,323,083	587,601	340,293,290
DEFERRED INFLOWS OF RESOURCES			
Pensions	38,211,177	-	38,211,177
OPEB	12,765,604	-	12,765,604
Total Deferred Inflows of Resources	50,976,781	-	65,572,080
NET POSITION			
Net Investment in Capital Assets	20,789,233	-	20,789,233
Restricted for grant programs	4,032,690	-	4,032,690
Restricted for health benefits	10,346,436	-	10,346,436
Restricted for net pension assets	11,179,336	-	11,179,336
Unrestricted	(226,312,667)	4,093,139	(222,219,528)
Total Net Postion	(179,964,972)	4,093,139	(175,871,833)
Total Deferred Inflows of Resources, Liabilities and Net Postion	$ 223,334,892	$ 4,680,740	$ 228,015,632

See Accompanying Notes to Financial Statements

CITY OF ALEXANDRIA, VIRGINIA
Combining Statement of Activities
Component Units
For the Fiscal Year Ended June 30, 2024

Exhibit XI

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
	Expenses	**Charges for Services**	**Operating Grants and Contributions**	**Schools**	**Library**	**Totals**
Schools	$ 381,903,015	$ 3,435,237	$ 44,715,419	$ (333,752,359)	$ -	$ (333,752,359)
Library	10,228,696	209,157	260,700	-	(9,758,839)	(9,758,839)
Total Component Units	392,131,711	3,644,394	44,976,119	(333,752,359)	(9,758,839)	(343,511,198)
General Revenues:						
Payment From City				276,459,659	8,336,066	284,795,725
Grants Not Restricted To Specific Programs				63,960,503	-	63,960,503
Interest and Investment Earnings				115,003	431,072	546,075
Miscellaneous				845,126	334,677	1,179,803
Total General Revenues				341,380,291	9,101,815	350,482,106
Change in Net Position				7,627,932	(657,024)	6,970,908
Net Position Beginning of Year				(187,592,904)	4,750,163	(182,842,741)
Net Position End of Year				$ (179,964,972)	$ 4,093,139	$ (175,871,833)

*City expenditure on schools joint tenancy project
See Accompanying Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Narrative Profile

The City of Alexandria, located in northern Virginia and bordered by the District of Columbia (Potomac River) and Arlington and Fairfax Counties, was founded in 1749 and incorporated in 1779. With a population of 166,000 and a land area of 15.75 square miles, Alexandria is the seventh largest city in the Commonwealth of Virginia and one of the most densely populated cities in the Commonwealth.

The City is governed under the Council-Manager form of government. Alexandria engages in a comprehensive range of municipal services, including general government administration, public safety and administration of justice, education, health, welfare, housing and human service programs, transportation, and environmental services (Public Works), planning, community development and recreation, cultural, library, and historic activities.

The financial statements of the City of Alexandria, Virginia, have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and U.S. generally accepted accounting principles (GAAP) as specified by the Governmental Accounting Standards Board (GASB). The City's significant accounting policies are described below.

A. Financial Reporting Entity

The City follows GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended. GASB Statement No. 34 requires the following financial statement components:

Management's Discussion and Analysis – A narrative introduction and analytical overview of the government's financial activities. This analysis is like the analysis that the private sector provides in their annual reports.

Government-wide Financial Statements – These include financial statements prepared using full accrual accounting for all government activities. This approach includes not just current assets and liabilities (such as cash and accounts payable), but also capital assets (such as buildings and infrastructure, including bridges and roads) and long-term liabilities (such as general obligation debt and unfunded pension costs). Accrual accounting also reports all revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter. The government-wide statements include the Statement of Net position and the Statement of Activities.

Statement of Net Position – The Statement of Net Position displays the financial position of the primary government (governmental activities) and its discretely presented component units. Governments report all capital assets, including infrastructure, in the government-wide Statement of Net Position and report depreciation and amortization expense – the cost of "using up" capital assets – in the Statement of Activities. Net Position represents the difference between assets, liabilities, and deferred inflow (outflow) of Resources. The Net Position of a government is broken down into three categories: 1) net investment in capital assets; 2) restricted; and 3) unrestricted. Net invested in capital assets consists of capital assets, net of accumulated depreciation and accumulated amortization reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets, net of unspent bond proceeds.

Statement of Activities – The Statement of Activities reports revenues and expenses in a format that focuses on the cost of each of the City's functions. The expenses of individual functions are compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements – The fund financial statements display the financial transactions and accounts of the City based on funds. The operation of each fund is an independent accounting entity. The fund financial statements also include reconciliation to the government-wide statements, which briefly explains the differences between the fund and government-wide financial statements.

Budgetary Comparison Schedules – Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments and have an interest in following the actual financial progress of their governments over the course of the year. The City Council approves revisions to its original budget over the course of the year for a variety of reasons.

As required by GAAP, these financial statements and schedules present the primary government and its component units, entities for which the City is financially accountable. Blended component units (although legally separate entities) are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government. The discretely presented component units are reported in a separate column in the government-wide statements to emphasize they that are legally separate from the primary government. Each of the City's discretely presented component units has a June 30 fiscal year-end.

Component Units:

City of Alexandria School Board

Since FY 1995, the Alexandria City School Board has been an elected body which oversees the operations of the Alexandria City Public Schools (ACPS). ACPS is substantially reliant upon the City because City Council approves ACPS's total annual budget appropriation, levies taxes, and issues debt for school projects. The legal liability for the general obligation debt issued for school capital assets remains with the City. The City's primary transaction with ACPS is the City's annual support for combined operations and capital equipment which totals $258.7 million in FY 2024. ACPS' financial statements are available via the ACPS website on the Department of Financial Services page.

The APA establishes financial reporting requirements for all localities in the Commonwealth of Virginia. The APA has determined that all Virginia school boards shall be reported as discretely presented component units of the locality. The APA has also specified additional reporting requirements with respect to school boards. ACPS issues separate audited financial statements.

City of Alexandria Library System

The Alexandria Library (the Library) is a discreetly presented component unit of the City of Alexandria. The Library's financial statements are available for public viewing at the Library's Administration office at the Beatley Library, 5005 Duke St., Alexandria, VA 22304. The City Council approves the Library budget and appoints three citizens and a member of the Alexandria City Council to the Library Board. The seven-member Library Board also includes three members of the non-profit Alexandria Library Company. The City is responsible for issuing debt, acquiring, and maintaining all capital items on behalf of the Library. The City only maintains the assets based on agreements reached with the Library Board. The library liability for the general obligation debt issued on behalf of the Library remains with the City and is based on needs requested by the Library Board. The City's primary transaction with the Library is the City's annual operating support, which was $8.3 million for FY 2024. The Library provides a variety of services to the community that are supplemented with funding by endowments and are not completely government services. The City budget provides most of the funding for all services and programs; many of the endowments supplement only the materials budget. The City has no authority in the selection of books and materials the Library carries, nor the day-to-day management of the operations of the Library buildings or staffing. The Library issues separate audited financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Alexandria Transit Company

Alexandria Transit Company (ATC), although legally separate in substance, is presented as a blended component unit and part of the City's reporting entity as a governmental fund. As a not-for-profit corporation for which the primary government is the only corporate member, the blending of ATC fell within the scope of GASB Statement No. 80. ATC's governing body is substantively the same as the governing body of the primary government and the City's management has operational responsibility for ATC.

Excluded from Reporting Entity

The City Council is not financially accountable for the Deferred Compensation Plan, Alexandria Economic Development Partnership, Alexandria Redevelopment and Housing Authority, Alexandria Renew Enterprises (formerly the Alexandria Sanitation Authority), Visit Alexandria, or Sheltered Homes of Alexandria, Inc. Accordingly, these entities are excluded from the City of Alexandria's financial statements.

B. Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The reporting model focuses on both the City as a whole and the fund financial statements, including the major individual funds of the governmental category, as well as the fiduciary funds (by category) and the component units. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental. In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a combined basis, and (b) is reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Both government-wide and fund financial statements presentations provide information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the financial information. The City generally uses restricted assets first for expenses incurred for which both restricted and unrestricted assets are available. The City may defer the use of restricted assets based on a review of the specific transaction.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, health, and welfare, etc.) that are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation and amortization) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health, and welfare, etc.). Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. The City does not allocate indirect expenses. The operating grants and contributions columns include operating-specific and discretionary (either operating or capital) grants, while the capital grants and contributions column reflects capital- specific grants.

In the fund financial statements, financial transactions and accounts of the City are organized based on funds. The operation of each fund is considered an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with related liabilities, fund balances and net position, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Governmental fund statements are presented based on current financial resources and a modified accrual basis of accounting. This is the way these funds are normally budgeted. Since governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the governmental activities column of the government-wide financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City's fiduciary funds are presented in the fund financial statements by type (employee benefit trust, private purpose trust and custodial). Since these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to fund activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

The following is a brief description of the specific funds used by the City in FY 2024.

1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed.

a. General Fund

The General Fund is a major fund and is the primary operating fund of the City. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income. A significant part of the General Fund's revenues is used to finance the operations of the Schools.

b. Special Revenue Fund

A special revenue fund is a major fund and is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. A significant portion of the Special Revenue Fund is used for Health and Welfare programs. The Special Revenue Fund of the City as June 30, 2024, is comprised of the following funds:

ARPA **-** This fund accounts for the City's funds across multiple departments in support of the COVID-19 pandemic response. The source of funding is the American Rescue Plan Act adopted in March 2021.

Housing – This fund accounts for the City's housing programs. The sources of funding are bond proceeds and the payment of note receivables.

Sanitary Sewer – This fund accounts for the funding of sanitary sewer maintenance and construction. The fund is funded by sewer connection fees and sewer charges.

Stormwater Utility – This fund is funded by a stormwater utility fee which was implemented in 2019. This fee replaces the dedicated real estate property tax in the Stormwater Management fund.

Stormwater Management Fund – This fund was established in FY 2011. It is funded by a dedicated real estate property tax rate of 0.5 cents per $100 of assessed value.

Potomac Yard Special Tax District – This fund is funded by certain real estate taxes for the development of the Potomac Yard Metro Rail station.

Northern Virginia Transportation Authority (NVTA) – This fund was established in FY 2014. It is funded by various state and local other taxes collected by NVTA.

Industrial Development Authority (IDA) – This fund accounts for IDA bond issuance fees and expenses.

Other Special Revenue – This fund accounts for grants and donations and other amounts that represent a small percentage of special revenues.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Capital Projects Fund

The Capital Projects Fund (Capital Improvements) is a major fund and accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of major capital facilities.

d. Alexandria Transit Company

Alexandria Transit Company (ATC), a major governmental fund, is a blended component unit and part of the City's reporting entity. As a not-for-profit corporation for which the primary government is the only corporate member, the blending of ATC fell within the scope of GASB Statement No. 80. ATC's governing body is the same as the primary government.

2. Proprietary Funds

Proprietary Funds are used to account for activities that are like those often found in the private sector. The measurement focuses on determination of net income, financial position, and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as, materials, contracts, personnel, and depreciation and amortization. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

The City has one proprietary fund, the Internal Service Fund. The Internal Service Fund accounts for the financing of goods or services provided by one department to other departments or agencies of the City on a cost-reimbursement basis and is considered a proprietary fund. The City established the Equipment Replacement Reserve Account, the internal service fund, for the purpose of providing for the accumulation of funds to replace capital equipment items used in City operations. This internal service fund derives its funding from periodic equipment rental charges assessed to the user departments in the governmental funds. This funding is then used to replace capital equipment when the need arises. The Internal Service Fund is included in governmental activities for government-wide reporting purposes. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The excess revenues or expenses for the fund are allocated to the appropriate functional activity.

3. Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, and other governments. The fiduciary funds of the City are the John D. Collins Private Purpose Trust Fund, City Supplemental Retirement, Pension for Fire and Police, Retirement Income for Fire and Police, Firefighters and Police Pension, Fire and Police Disability, Other Post-Employment Benefits (OPEB) and the custodial funds for the Human Services Special Welfare Account and the Human Services Dedicated Account. For accounting measurement purposes, the Private Purpose Trust Fund and the Employee Retirement Funds are accounted for in essentially the same manner as proprietary funds. The Private Purpose Trust Fund accounts for assets of which the principal may not be spent. The Employee Retirement Funds account for the assets of the City's pension plans and the OPEB fund. Custodial Funds use the economic resources measurement focus.

Fiduciary net position of the Pension and OPEB Plans, and the change in fiduciary net position have been determined on the same basis as they are reported by the pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The custodial funds held by the City as of the end of FY 2024 comprise the following:

Human Services Special Welfare Account – This fund accounts for the current payments of supplemental security income for foster children.

Human Services Dedicated Account – This fund accounts for back payments of supplemental security income for foster children.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the funds statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of the governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Government-wide Statement of Net Position and Statement of Activities, all proprietary funds, private purpose trust funds, custodial funds, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are either included on the Statement of Net Position or on the Statement of Fiduciary Net Position. These operating statements present increases (e.g., revenues or additions) and decreases (e.g., expenses or deductions) in total net position.

The Government-wide Statement of Net Position and Statement of Activities as well as the financial statements of the Proprietary Funds and Fiduciary Funds are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The fund financial statements of the General, Special Revenue, and Capital Projects funds are maintained and reported on the modified accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. With respect to real and personal property tax revenue and other local taxes, the term "available" is limited to collection within 45 days after the fiscal year-end. Levies made prior to the fiscal year end, but which are not available, are deferred. Interest income is recorded as earned. Federal and State reimbursement-type grants revenues are measurable and available as revenue when reimbursements for related eligible expenditures are collected within a year of the date the expenditure was incurred. Expenditures, other than accrued interest on long-term debt, are recorded when the fund liability is incurred.

D. Budgets and Budgetary Accounting

The City Council annually adopts budgets for the General Fund and Special Revenue Fund of the primary government. All appropriations are legally controlled at the departmental level for the General Fund and Special Revenue Fund. The Schools appropriation is determined by the City Council and controlled in total by the primary government. On May 3, 2023, the City Council formally approved the original adopted budget and on June 15, 2024, approved the revised budget reflected in the required supplemental information. Budgets are prepared for the Capital Projects Fund on a project basis, which covers the life of the project. A Capital Projects Fund appropriation does not lapse until an appropriation reduction is approved by the City Council.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

Encumbrance accounting, the recording of purchase orders, contracts, and other monetary commitments to reserve an applicable portion of an appropriation, is used as an extension of formal budgetary control in the General, Special Revenue, and Capital Projects Funds. Encumbrances outstanding at year-end are classified as committed or assigned in the General Fund, or as restricted fund balance in the non-General Funds. These encumbrances are subject to re-appropriation by Council ordinance in the succeeding fiscal year.

E. Equity in Pooled Cash and Investments

Cash resources of the individual funds, including imprest cash of $18,735 and excluding cash held with fiscal agents in the General Fund, Special Revenue Fund, Capital Projects Fund, Proprietary Funds, Fiduciary Funds, and discretely presented component units (Schools and Library), are combined to form a pool of cash and investments to maximize interest earnings. Investments in the pool consist of the State Treasurer's Local Government Investment Pool (LGIP) and are recorded at fair value. Income from pooled investments is allocated only when contractually or legally required. All investment earnings not legally or contractually required to be credited to individual accounts or funds are credited to the General Fund.

The Library maintains separate cash and investment accounts consisting of cash and obligations of the federal government and corporate bonds and stocks recorded at fair value. All cash and investments held with fiscal agents for the primary government and its discretely presented component units are recorded at fair value.

For purposes of the statement of cash flows, the Proprietary Funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The fair value of investments is based on quoted market prices. All investments in external investment pools are reported at fair value.

F. Allowance for Uncollectible Accounts

The City calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance on June 30, 2024, is comprised of the following:

GENERAL FUND:		
Taxes Receivable:		
Real Property	$	1,548,216
Personal		21,909,807
Penalties and Interest		1,031,781
Total Taxes		24,489,804
Accounts Receivable		36,225
Notes Receivable		309,000
		24,835,029
SPECIAL REVENUE FUND:		
Housing Fund Notes Receivable	$	92,699,064
CAPITAL PROJECTS FUND:		
Capital Projects Fund Notes Receiva	$	1,475,000

The component units' accounts receivable is considered fully collectible and therefore an allowance for uncollectible accounts is not applicable to those receivables.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventory of Supplies

Primary Government

Inventories of consumable supplies are recorded at cost (determined on a first in, first out basis). Inventory in the General Fund consists of expendable supplies held for consumption. The costs are recorded as expenditures under the purchase method. Reported inventories in the General Fund are equally offset by a reservation of fund balance. Purchases of non-inventory items are recorded as expenses or expenditures under the purchase method. Prepaid expenditures in reimbursable grants are offset by unearned revenues until expenses or expenditures are recognized. Inventory for the Alexandria Transit Company is comprised of parts and operating materials held for consumption. These inventories are costed by methods that approximate average cost or fair value, whichever is lower.

Component Units

Inventory for the Schools is comprised of food and commodities on hand pertaining to the Child Nutrition Cluster of programs. Inventories of consumable supplies are recorded at cost using the weighted average method. Inventories received from the U.S. Department of Agriculture are recorded at fair value when received and the amounts consumed are recorded as revenue. The amounts of unused food commodities are reported as inventory.

H. Other Assets

Other assets in the government-wide statements include deferred outflows related to refunding Bonds, which represents the excess of the reacquisition price over the net carrying amount of the refunded bonds discussed in Note 9. The total adjustment to these assets was comprised of the following:

Deferred outflow related to Refunding Bonds	$	13,846,596
Total Adjustment	$	13,846,596

I. Leases

The financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset; and a lessor is required to recognize a lease receivable and a deferred inflow of resources. If the present value of the payments or receipts is greater than or equal to $5,000, the contract is classified as a lease for accounting purposes.

J. SBITAs

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs) establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. It provides the capitalization criteria for outlays other than subscription payments, including implementation costs of SBITAs; and requires note disclosures regarding SBITAs. The City adopted the requirements of the guidance effective July 1, 2022, and has applied the provisions of this standard to the beginning of the period of adoption.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets

Capital outlays are recorded as expenditures of the General, Special Revenue, and Capital Projects Funds, and as assets in the government-wide financial statements to the extent the City's capitalization threshold of $5,000 per unit are met. Amortization for right-to-use assets is based on the terms of the agreement. Depreciation and amortization are recorded on capital assets on a government-wide basis using the straight-line method and the following estimated useful lives:

Buildings.....40 years
Infrastructure.....25 years
Furniture and Other Equipment .....3 - 20 years

To the extent the City's capitalization threshold of $5,000 is met, capital outlays of the Internal Service Fund are recorded as capital assets and depreciated over their estimated useful lives on a straight-line basis on both the funds and the government-wide financial statements using the straight-line method and the following estimated useful lives:

Leasehold Improvements.....3 - 40 years
Equipment.....3 – 20 years

All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated assets received in a concession arrangement are valued at their acquisition value. The City does not capitalize historical treasures or works of art. The City maintains many items and buildings of historical significance. The City uses the proceeds from the sale of historical treasures or works of art to acquire other items for the collection. Right-to-use assets are valued based on the present value of the agreement and amortized over the shorter life of the asset or agreement.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation and amortization, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

L. Compensated Absences

The City accrues compensated absences (annual and sick leave benefits) when vested. The current portions of the governmental funds matured compensated absences liabilities are recorded as other liabilities in the General and Special Revenue Funds. The current and noncurrent portions are recorded in the government-wide financial statements. This includes the Library, a discreetly presented component unit.

The component unit Schools accrues matured compensated absences (annual, personal, and sick leave benefits) when vested. The current and noncurrent portions of compensated absences are recorded in the Schools component unit government-wide financial statements.

Alexandria Transit Company accrues annual and sick leave benefits in the period in which they are earned.

M. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes. Actual results could differ from those estimates.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Balance

The City considers restricted fund balance to be spent when an expenditure is incurred for purposes for which restricted and unrestricted fund balances are available unless prohibited by legal constraints or contracts. When an expenditure is incurred for purposes for which committed, assigned or unassigned amounts are available; the City considers committed fund balance to be spent first, then assigned fund balance, and lastly unassigned fund balance.

Fund Balances are reported according to the following categories:

Non-spendable Fund Balance—amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to remain intact; for example, notes receivable, inventory of supplies, prepaid amounts, and assets-held-for-sale.

Restricted Fund Balance—amounts constrained by external parties, constitutional provision, or enabling legislation. Effectively, restrictions may only be changed or lifted with the consent of the resource provider.

Committed Fund Balance—The City's highest level of decision-making authority is the City Council. The formal action required to establish, modify, or rescind a fund balance commitment is an ordinance of the City Council.

Assigned Fund Balance—amounts in the Assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council's delegation of this authority to the City Manager or his designee in the annual operating budget ordinance. Amendments must follow the guidance described in Note 1D.

Unassigned Fund Balance—is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The Unassigned fund balance can only be appropriated by a resolution of the City Council.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Detail

General Fund

Inventories	$	6,570,826
Prepaids		854,584
Long Term Notes		400,000
Total		7,825,410
Committed		
Encumbrances		6,623,826
Self-Insurance		6,500,000
Total		13,123,826
Assigned		
Subsequent Capital Program		13,000,000
Subsequent Operating Budgets		13,992,992
UHC Self Funding		2,000,000
Transit Savings		5,000,000
Carryover and Incomplete Projects		4,500,000
Natural Disaster/Emergencies		3,000,000
Landmark Redevelopment soil Contingency		3,000,000
Accrued Leave Payout		1,000,000
Economic Development Incentives		1,000,000
Total		46,492,992
Unassigned		135,072,597
Total Fund Balance	$	202,514,825

Encumbrances – These funds ($6.6 million) have been committed for purchase orders and/or contracts to acquire goods and services not yet received.

Self-Insurance—These funds ($5 million) have been committed and an additional ($1.5 million) reserved for the City's self-insurance program.

UHC Self-Funding – These funds ($2 million) are assigned from health premium cost savings due to vacancies to increase the balance available for the City's self-funded healthcare plan.

Subsequent Fiscal Years' Capital Program—These funds ($13 million) have been assigned to fund a portion of the capital improvement program in FY 2025 and beyond.

FY 2025 Operating Budget - These funds ($14.0 million) have been assigned to fund a portion of the operating programs in FY 2025.

Transit Savings - These funds ($5 million) have been assigned for future transit costs in the FY 2025 budget. Savings were generated in FY 2021 because of available federal funding for WMATA and the City's utilization of NVTC reserves.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Carryover and Incomplete Projects - These funds ($4.5 million) are assigned to support projects and initiatives that are approved but not yet under contract.

Natural Disaster/Emergencies/ Emergency Response - These funds ($3 million) have been assigned to cover damages and operational costs associated with responding to extraordinary emergencies.

Landmark Redevelopment Soil Removal Contingency – These funds ($3 million) have been assigned to provide additional resources to address the removal of contaminated soil that may be discovered at the Landmark Mall site, above the amount currently budgeted by the developer.

Accrued Leave Payout - These funds ($1 million) are assigned to address leave payouts that are required for employees that are separated from the city either voluntarily or involuntarily.

Economic Development Incentives - These funds ($1 million) are assigned to provide funds to incentivize business to locate or expand in the City.

Special Revenue

Restricted		
Grants	$	2,076,319
Donations		6,833,915
Housing Programs		16,172,296
Total		25,082,530
Committed		
Sanitary Sewer		26,268,642
Stormwater Utility		209,407
Other Programs		36,835,076
Potomac Yard		48,741,111
NVTA		7,737,437
Total		119,791,673
Total Fund Balance	$	144,874,203

Sanitary Sewer - These funds ($26.3 million) are committed for sanitary sewer maintenance and construction. The funds originate from sewer connection fees and charges.

Potomac Yard - These funds ($48.7 million) are committed for the development of the Potomac Yard Metrorail Station. The funds originate from certain real estate property taxes.

Northern Virginia Transportation Authority (NVTA) - These funds ($7.7 million) are committed for transportation improvements in the City. The funds originate from various state and other local taxes collected by the NVTA.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Programs - These funds ($36.8 million) are committed per the terms of various grants and donations received by the City. The major programs funded were:

Program	Amount
Building Permitting and Inspection Activities	$ 35.9 million
Neighborhood Planning	$ 7.7 million
Weekly Trash/Recycling Collections, Household Hazardous Waste Collections, Special Collections, and Enhanced Recycling Programs	$ 4.3 million
Criminal Investigation	$ 1.4 million
Outdoor Space Improvements for Recreational Facilities, and Youth Program Fees for Field Trips and Daily Operations	$ 1.4 million
Development Review	$ 0.8 million
Retrofit for Cubicle Office Space	$ 0.7 million
Field Operations Bureau	$ 0.5 million
Renovation and Maintenance of Courthouse Facilities	$ 0.3 million
Inmate Services	$ 0.5 million

Capital Projects

Restricted	$	177,966,886
Committed		111,785,574
Total Fund Balance	$	289,752,460

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant encumbrances greater than $1.0 million as of June 30, 2024, were:

Fund	Vendor	Amount
Capital Projects	Gilbane Building Company	$ 57.8 million
Capital Projects	Skanska USA Civil Southeast Inc.	$ 8.3 million
Capital Projects	Formal Solicitation (Null Vendor)	$ 6.4 million
Capital Projects	Avon Corporation	$ 5.6 million
Capital Projects	FT Myer Construction Corp	$ 4.4 million
Capital Projects	Arcadis U.S., Inc.	$ 4.1 million
Capital Projects	Skanska USA Building Inc.	$ 3.5 million
Capital Projects	Turner & Townsend Heery LLC	$ 3.4 million
Capital Projects	Keller Brothers Inc.	$ 3.3 million
Capital Projects	AM-Liner East Inc.	$ 3.1 million
Capital Projects	Service Mechanical Inc.	$ 2.5 million
Capital Projects	Oak Grove Restoration Company	$ 2.1 million
Capital Projects	Greeley & Hansen LLC	$ 2.0 million
Capital Projects	Kimley-Horn and Associates Inc.	$ 2.1 million
Capital Projects	WSP USA Inc.	$ 2.0 million
Capital Projects	Boland Trane Services Inc.	$ 2.0 million
Capital Projects	Jones Utilities Construction Inc.	$ 1.9 million
Capital Projects	Perkins Eastman Architects DPC	$ 1.9 million
Capital Projects	AP Construction LLC	$ 1.7 million
Capital Projects	URS Corporation	$ 1.6 million
Capital Projects	Volkert Inc.	$ 1.6 million
Capital Projects	Sagres Construction Corporation	$ 1.5 million
Capital Projects	Blythe Construction Inc.	$ 1.4 million
Capital Projects	Kadcon Corp.	$ 1.3 million
Capital Projects	Kingmor Supply Inc.	$ 1.1 million
Capital Projects	Jacobs Engineering Group Inc.	$ 1.1 million
Capital Projects	Stertil-Koni USA, Inc.	$ 1.1 million

O. Short Term Liabilities

Short Term Liabilities include unclaimed funds. The City did not have any short-term debt during FY 2024.

P. Deferred Outflows

A deferred outflow of resources represents a consumption of net assets by the government that is applicable to a future period and so will not be recognized as an outflow of resources until the future period. The City recognizes deferred outflows for contributions made after the measurement date related to pensions and OPEB, difference between expected and actual experience, changes in assumptions, and net difference between projects and actual earnings on pension plans investments. On June 30, 2024, the City had deferred outflows of resources related to pensions and OPEB of $99.8 million.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Deferred Inflows

A deferred inflow of resources represents an acquisition of net assets by the government that is applicable to a future period and will not be recognized as an inflow of resources (revenue) until that time. For government-mandated and voluntary non-exchange transactions, a deferred inflow is reported when resources are received before time requirements are met. On June 30, 2024, the City had the following deferred inflows of resources.

DEFFERED INFLOWS		
Deferred Tax Revenue	$	327,986,991
Deferred Resources		13,600,119
Pension		24,287,287
OPEB		10,595,239
Opioid Settlement Receivable		1,917,423
Total Deferred Inflows of Resources	$	378,387,059

NOTE 2. LEGAL COMPLIANCE – BUDGETS

After a public hearing and several work sessions, the City Council adopts an annual budget no later than June 27 for the succeeding fiscal year to commence July 1. Transfers of appropriations among departments or projects are made throughout the fiscal year by the City Council. The City Council may also approve supplemental appropriations. In FY 2024, the Council approved a re-appropriation of prior fiscal year encumbrances, as well as several other supplemental appropriations. The City Manager has authority to transfer appropriations within each department. In FY 2024, several intradepartmental transfers were made.

Exhibit XII
(Continued)

NOTE 3. DEPOSITS AND INVESTMENTS

The City maintains a pool of cash and investments in which each fund participates on a dollar equivalent and daily transaction basis. Interest is distributed monthly based on the funds' average monthly balances. A "zero balance account" mechanism provides for daily sweeps of deposits made to City checking accounts, resulting in an instantaneous transfer to the investment account. Thus, most funds in the City's general account are always invested. Exceptions to this are funds in the Library System's checking account, the School Student Activity Fund account, and some bank accounts administered by the Human Services Department. The City's pooled portfolio also excludes pension plans.

A. Deposits

Primary Government

At June 30, 2024, the carrying value of the City's deposits was $3,948,982 and the bank balance was $4,784,917 The difference between the carrying value of the City's deposits and the bank balance was the checks outstanding. This amount will fluctuate depending on the difference between checks issued and checks paid. The funds for these checks remain invested until the checks are presented for payment at the bank. The entire bank balance was covered by federal depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act (The Act). The Act provides for the pooling of collateral pledged with the Treasurer of Virginia to secure public deposits as a class. No specific collateral can be identified as security for one public depositor and public depositors are prohibited from holding collateral in their name as security for deposits. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by banks and savings and loan associations. A multiple financial institution collateral pool that provides for additional assessments is like depository insurance. If any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. If the value of the pool's collateral were inadequate to cover the loss, additional amounts would be assessed on a pro rata basis to the members of the pool. Funds deposited in accordance with the requirements of the Act are considered fully secured. The City maintains cash and temporary investments for all funds and component units in a single pooled account, except for certain cash and investments required to be maintained with fiscal agents or in separate pools or accounts to comply with the provisions of bond indentures. The City has invested bond proceeds subject to rebate of arbitrage earnings in the Virginia State Non-Arbitrage Program ("SNAP"). SNAP is designed to assist local governments in complying with the arbitrage rebate requirements of the Tax Reform Act of 1986. These programs provide comprehensive investment management, accounting, and arbitrage rebate calculation services for proceeds of general obligation and revenue tax-exempt financing of Virginia counties, cities, and towns. As of June 30, 2024, the City had $178,111,932 in the SNAP short term investment.

Component Units

At June 30, 2024, the carrying value of deposits for the Schools was ($6,038,501) and the bank balance was $0. The difference between the carrying value of the School's deposits and the bank balance was the checks outstanding. The entire bank balance was covered by federal depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act as defined above.

At June 30, 2024, the carrying value of deposits for the Library was ($94,872) and the bank balance was $0. The entire balance was covered by federal depository insurance or collateralized in accordance with the Virginia Security for Public Deposits Act as defined above.

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

B. Investments

State Statutes authorize the City to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, banker's acceptances, repurchase agreements, the State Treasurer's Local Government Investment Pool (LGIP), and the Virginia Investment Pool (VIP). The City's current investment policy limits investments to obligations of the United States and agencies thereof, commercial paper, LGIP and repurchase agreements fully collateralized in obligations of the United States and agencies thereof.

During fiscal year 2024 most of the City investments were placed in the State Treasurer's Local Government Investment Pool (LGIP). The LGIP is under the supervision of the Virginia Treasury Board and audited by the Auditor of Public Accounts. However, some investments were made in Certificate of Deposit Account Registry Service (CDARS), where deposits are eligible for FDIC insurance, as well as commercial paper, U.S. Agencies, and the Virginia Investment Pool.

During the year, the City and its discretely presented component units maintained eight pension plans. The plan provisions allow the assets of the pension plans to be invested by the pension carriers in accordance with provisions of the Code of the Commonwealth of Virginia. The Plans' investments are exposed to various risks such as interest rate, market, and credit risks. Such risks, and the resulting investment security values, may be influenced by changes in economic conditions and market perceptions and expectations. Accordingly, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such change could materially affect the amounts reported in the Statement of Fiduciary Net Position.

The City and its discretely presented component units' investments are subject to interest rate, credit and custodial risk as described below:

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits at least half of the City's investment portfolio to maturities of less than one year.

Credit Risk – State Statutes authorize the City to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivision thereof, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, banker's acceptances, repurchase agreements, and Virginia Local Government Investment Pool. The City's current investment policy limits investments to obligations of the United States and agencies thereof, commercial paper, and repurchase agreements fully collateralized in the Obligations of the United States and agencies thereof, the State Treasurer's LGIP and VIP. During the fiscal year, the City held its investments in LGIP and VIP, and investments of US agencies.

Custodial Risk – Custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Currently all City investments are held in LGIP, VIP, commercial paper, investments of U.S. agencies, and CDARS. If the City must invest in a local bank, the City will require a designated portfolio manager. At the time funds are invested, collateral for repurchase agreements will be held in the City's name by a custodial agent for the term of the agreement, and investments in obligations of the United States or its agencies will be held by the Federal Reserve in a custodial account.

Exhibit XII
(Continued)

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

As of June 30, 2024, the City had the following cash, investments, and maturities:

Primary Government

		Investment Maturities		
INVESTMENT TYPE	**Fair Value**	**1-12 Months**	**13-24 Months**	**25-60 Months**
Fixed Certificate of Deposit	$ 40,397,639	$ 40,397,639	$ -	$ -
Federal Home Loan Bank (FHLB)	19,492,001	19,492,001	-	-
Local Government Investment Pool	482,337,505	482,337,505	-	-
Subtotal	542,227,145	542,227,145	-	-
OPEB Trust Investments*	129,033,114	-	-	129,033,114
Pension Plan Investments (Exhibit VIII)*	679,850,178	-	-	679,850,178
Total	$ 1,351,110,437	$542,227,145	$ -	$ 808,883,292

*Details of investment types for OPEB and Pensions are listed in Note 17, Exhibit XII

Reconciliation to Total Cash and Investments:	
Add:	
Cash on Hand and in Banks	$ 3,948,982
Cash with Fiscal Agents	178,111,932
Total Deposits and Investments	$ 1,533,171,351

Component Unit

Schools

	Investment Maturities	
	Fair Value	**1-12 Months**
Fixed Certificate of Deposit	$ 5,969,631	$ 5,969,631
Federal Home Loan Bank (FHLB)	2,880,368	2,880,368
Local Government Investment Pool	71,094,805	71,094,805
Total Investments Controlled by City	$ 79,944,804	$ 79,944,804

Component Unit
Library

	Investment Maturities	
	Fair Value	**1-12 Months**
Fixed Certificate of Deposit	$ (7,070)	$ (7,070)
Federal Home Loan Bank (FHLB)	(3,411)	(3,411)
Local Government Investment Pool	(84,391)	(84,391)
Total Investments Controlled by City	$ (94,872)	$ (94,872)

Primary Government and Component Units:	$ 622,077,077

Exhibit XII
(Continued)

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

As of June 30, 2024, the City had investments in the following issuers with credit quality ratings as shown below:

	Fair Value	AAA	AA+	CDs and Cash
Fixed Certificate of Deposit	$ 46,360,200	$ -	$ -	$ 46,360,200
Federal Home Loan Bank (FHLB)	22,368,958	-	22,368,958	-
Virginia Investment Pool 1-3 Year	5,682,422	5,682,422	-	-
Virginia Local Government Investment Pool	547,665,497	547,665,497	-	-
Total Investments Controlled by City & Components	$ 622,077,077	$ 553,347,919	$ 22,368,958	$ 46,360,200

Rated by S&P

Investments in any one issuer that represents five percent or more of the total of City of Alexandria's investments are as follows:

Issuer	Investment Type	Fair Value	% of Portfolio
VA Dept of Treasury	Local Govt Invest Pool	547,665,497	88.04%
	Fixed Certificate of Deposit	46,360,200	7.45%

Exhibit XII
(Continued)

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

Reconciliation of total deposits and investments to the government-wide financial statements as of June 30, 2024:

	Governmental Activities	Fiduciary Activities	Total
Primary Government including DASH			
Cash on Hand and In Banks	$ 3,948,982	$ -	$ 3,948,982
Cash and Investments	542,061,793	165,352	542,227,145
Cash and Investments with Fiscal Agents	177,966,870	809,028,354	986,995,224
Total	$ 723,977,645	$ 809,193,706	$ 1,533,171,351
Component Unit Schools			
Cash Controlled by City	$ (6,038,501)	$ -	$ (6,038,501)
Investments controlled by City	74,064,054	-	74,064,054
Total	$ 68,025,553	$ -	$ 68,025,553
Component Units Library			
Cash and Investments controlled by City	$ (94,872)	$ -	$ (94,872)
Cash and Investments with Fiscal Agents	4,630,879	-	4,630,879
Total	$ 4,536,007	$ -	$ 4,536,007
Grand Total	$ 796,539,205	$ 809,193,706	$ 1,605,732,911

Exhibit XII
(Continued)

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

The list below summarizes investments managed by the City of Alexandria in accordance with the fair value hierarchy established by the generally accepted accounting principles. Fair value is a sale price agreed to by a willing buyer and seller, assuming both parties enter the transaction freely. The hierarchy is based on the valuation inputs used to measure the fair value of assets. The inputs are categorized at three levels based on the degree of certainty around the asset's underlying value.

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborate by observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

During fiscal year 2024, zero investments were classified in Level 1 and Level 3 of the fair value hierarchy. Investments worth $68.7 million were classified in Level 2. Fixed government securities worth $22.4 million and fixed certificates of deposit worth $46.3 million were classified in Level 2. The fixed government securities and the fixed securities of deposit were valued using a matrix pricing technique. Matrix pricing is used based on the securities' relationship to benchmark quoted prices.

Virginia Local Government Investment Pool, worth $547.7 million were excluded from the fair value hierarchy since they are an external investment pool and have the option to report their investments at NAV or amortized cost. They have chosen to report at amortized cost.

Investments by fair value level	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Debt Securities				
Fixed Government Securities	$ 22,368,958	$ -	$ 22,368,958	$ -
Fixed Certificates of Deposit	46,360,200	-	46,360,200	-
Total Debt Securities	$ 68,729,158	$ -	$ 68,729,158	$ -
Total Investments by Fair Asset Value	$ 68,729,158	$ -	$ 68,729,158	$ -
Investments measured at the net asset value (NAV)				
Virginia Investment Pool - Liquidity	5,682,422			
	$ 5,682,422			
Total Investments by Fair Value and NAV	$ 74,411,580			
Investments Reported by Amortized Cost				
Virginia Local Govt. Investment Pool	$ 547,665,497			
Total Investments	$ 622,077,077			

Exhibit XII
(Continued)

NOTE 4. RECEIVABLES

Receivables at June 30, 2024, consist of the following:

	General	Special Revenue	Capital Project	Total
Taxes				
Real Property	$ 275,758,105	$ 817,586	$ -	$ 276,575,691
Personal Property	93,665,895	-	-	93,665,895
Penalties and Interest	9,044,066	-	-	9,044,066
Others	3,481,832	10,501,324	-	13,983,156
Total Taxes	381,949,898	11,318,910	-	393,268,808
Account	12,724,461	2,226,394	-	14,950,855
Interes	-	-	-	-
Due from Other Governments	7,683,150	7,598,269	64,420	15,345,839
Notes	709,000	95,197,385	1,475,000	97,381,385
Gross Receivable	403,066,509	116,340,958	1,539,420	520,946,887
Less: Allowance for Uncollectibles	24,835,029	92,699,064	1,475,000	119,009,093
Net Receivables	$ 378,231,480	$ 23,641,894	$ 64,420	$ 401,937,794

Taxes receivable represents the current and past four years of uncollected tax levies for personal property taxes, and the current and past 19 years for uncollected tax levies on real property. The allowance for estimated uncollectible taxes receivable is 3.0% percent of the total taxes receivable at June 30, 2024, and is based on historical collection rates. Almost all of the real property tax receivables as of June 30, 2024, represent the second-half payment due for real estate taxes on November 15, 2024. The majority of personal property taxes represent tax year 2024 due October 7, 2024.

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also include unearned revenue related to resources that have been received but not yet earned. At the end of FY 2024, unearned revenue in the governmental funds consisted of the following:

	Unavailable	Unearned	Total
Property taxes, net of related allowances	$ 327,986,991	$ -	$ 327,986,991
Opioid Settlement Receivable	1,917,423	-	1,917,423
Leases	13,600,119	-	13,600,119
Grant proceeds received prior to completion	-	12,462,608	12,462,608
Prepaid Fees	-	4,923,580	4,923,580
Total	$ 343,504,533	$ 17,386,188	$ 360,890,721

NOTE 4. RECEIVABLES (Continued)

Component Units

Receivables at June 30, 2024, consist of following:

	School Board	Library	Total
Accounts	$ 236,816	$ 2,258	$ 239,074
Intergovernmental	16,905,060	46,357	16,951,417
Total Receivables	$ 17,141,876	$ 48,615	$ 17,190,491

All the component unit receivables are considered to be collectible.

A. Property Taxes

The City levies real estate taxes on all real property on a calendar year basis, at a rate enacted by the City Council on the assessed value of property (except public utility property) as determined by the Real Estate Assessor of the City. The Commonwealth assesses public utility property. Neither the City nor the Commonwealth imposes a limitation on the tax rate. All property is assessed at 100 percent of fair market value and reassessed each year as of January 1. The Real Estate Assessor, by authority of City ordinance, prorates billings for incomplete property as of January 1, but completed during the year.

Real estate taxes are billed in equal semi-annual installments due June 15 and November 15. The taxes receivable balance at June 30, 2024, includes amounts not yet received from the January 1, 2024 levy (due June 15 and November 15, 2024), less an allowance for uncollectible amounts. The installment due on November 15, 2024 is included as unavailable revenue since these taxes are restricted for use until FY 2025. Liens are placed on the property on the date real estate taxes become delinquent and must be satisfied prior to the sale or transfer of the property. In addition, any uncollected amounts from previous years' levies are incorporated in the taxes receivable balance. The tax rate was $1.135 per $100 of assessed value during calendar year 2024, an increase of 0.25 cents compared to calendar year 2023.

Personal property tax assessments on tangible business property and all motor vehicles are based on 100 percent of fair value of the property as of January 1 of each year. For a vehicle, the tax may be prorated for the length of time the vehicle has status in the City. Personal property taxes for the calendar year are due on October 5th. The taxes receivable balance at June 30, 2024, includes amounts not yet billed or received from the January 1, 2024 levy (due October 5, 2024). These taxes are included as unavailable revenue since these taxes are restricted for use until FY 2025. The tax rate for motor vehicles was $5.33 per $100 of assessed value during the calendar years 2023 and 2024. On May 1, 2024, City Council adopted an ordinance to set the real and personal property tax rates for Calendar Year 2024. The FY 2025 Approved Budget was also adopted on May 1, 2024. Tax rates during calendar years 2023 and 2024 were $4.75 for tangible personal property and $4.50 for machinery and tools per $100 of assessed value. In addition, any uncollected amounts from prior year levies are incorporated in the taxes receivable balance.

Under the provisions of the Personal Property Tax Relief Act of 1998 (PPTRA), the City billed and collected from the Commonwealth, approximately 30 percent of total personal property tax levy in calendar year 2024. The

NOTE 4. RECEIVABLES (Continued)

threshold for vehicles that receive a 100% state car tax is applied to vehicles valued $5,000 and less. This action is estimated to eliminate the local tax burden on more than 30,000 cars for tax year 2024.

B. Notes Receivable

The gross amount of notes receivable is primarily for the City's housing programs and consisted of the following at June 30, 2024:

Governmental Activities

General Fund	$	709,000
Special Revenue Fund		95,197,385
Capital Projects Fund		1,475,000
Less Allowance for Uncollectible Accounts		(94,483,064)
Net Notes Receivable		2,898,321
Amounts due within one year		50,000
Amounts due in more than one year	$	2,848,321

Exhibit XII
(Continued)

NOTE 5. CAPITAL ASSETS

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2024:

Governmental Activities

Primary Government

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital Assets Not Being Depreciated				
Land and Land Improvements	$ 181,711,976	$ -	$ -	$ 181,711,976
Construction in Progress	250,054,525	178,104,552	95,247,888	332,911,189
Total Capital Assets Not Being Depreciated	431,766,501	178,104,552	95,247,888	514,623,165
Depreciable Capital Assets				
Buildings	893,953,774	92,150,465	4,175,082	981,929,157
Infrastructure	350,221,441	14,016,585	13,502	364,224,524
Intangible Assets	26,475,233	-	-	26,475,233
Furniture and Other Equipment	153,604,792	17,039,125	2,274,072	168,369,845
Total Depreciable Capital Assets	1,424,255,240	123,206,175	6,462,656	1,540,998,759
Less Accumulated Depreciation for				
Buildings	314,256,710	24,968,364	3,253,680	335,971,394
Infrastructure	198,014,109	10,948,468	89	208,962,488
Intangible Assets	25,948,949	450,384	-	26,399,333
Furniture and Other Equipment	105,352,231	8,207,785	2,197,949	111,362,067
Total Accumulated Depreciation	643,571,999	44,575,001	5,451,718	682,695,282
Depreciable Capital Assets, Net	780,683,241	78,631,174	1,010,938	858,303,477
Right-to-Use Lease Assets:				
Buildings	33,432,161	424,246	1,747,264	32,109,143
Equipment	442,424	-	-	442,424
Land	761,213	-	-	761,213
Infrastructure	346,191	-	-	346,191
Easements	1,071,674	-	-	1,071,674
Total Assets	36,053,663	424,246	1,747,264	34,730,645
Less Accumulated Amortization for				
Buildings	6,787,855	3,619,838	1,747,264	8,660,429
Equipment	197,741	104,605	-	302,346
Land	298,056	149,028	-	447,084
Infrastructure	43,568	21,784	-	65,352
Easements	52,821	211,283	-	264,104
Total Accumulated Amortization	7,380,041	4,106,538	1,747,264	9,739,315
Total Right to Use Assets, Net	28,673,622	(3,682,292)	-	24,991,330
SBITA Assets				
SBITA	842,665	-	788,181	54,484
Less: Accumulated Amortization:	459,881	370,952	788,181	42,652
Total SBITA Arrangement Assets, Net	382,784	(370,952)	-	11,832
Alexandria Transit Company				
Depreciable Capital Assets				
Equipment	67,446,679	5,829,508	32,008	73,244,179
Less: Accumulated Depreciation	35,789,450	5,557,051	32,008	41,314,493
Total Depreciable Capital Assets, Net	31,657,229	272,457	-	31,929,686
Totals	$ 1,273,163,377	$ 252,954,939	$ 96,258,826	$ 1,429,859,490

The City acquires and maintains all capital assets for the Library. Accordingly, the Library's capital assets are included in the governmental activity's total.

Exhibit XII
(Continued)

NOTE 5. CAPITAL ASSETS (Continued)

Governmental activities capital assets, net of accumulated depreciation and amortization at June 30, 2024, are comprised of the following:

General Capital Assets	$	1,369,814,328
Internal Service Fund Capital Assets		3,112,314
Alexandria Transit Company Capital Assets		31,929,686
Right-to-Use Lease Assets		24,991,330
SBITA Assets		11,832
Total	$	1,429,859,490

Depreciation and amortization was charged to governmental functions as follows:

General Government	$	3,512,711
Judicial Administration		393,102
Public Safety		3,593,352
Public Works		7,350,794
Depreciation of Infrastructure Assets		10,948,468
Health and Welfare		1,791,012
Transit		5,557,051
Culture and Recreation		2,580,620
Education		14,155,021
Community Development		249,921
Right-to-Use Lease		4,106,538
SBITA		370,952
Total	$	54,609,542

Capital outlays are reported as expenditures in the governmental funds; however, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. The adjustment from governmental funds to the government-wide statements is summarized as follows:

Primary Government

City Capital Outlay	$	339,661,883
Donated Assets		2,400,815
Depreciation and Amortization Expense		(54,609,542)
Capital Outlay not capitalized		(135,902,551)
Total Adjustment	$	151,550,605

Donated assets are comprised of infrastructure assets donated by developers.

Exhibit XII
(Continued)

NOTE 5. CAPITAL ASSETS (Continued)

Net Position Investment in Capital Assets is computed as follows:

General Capital Assets, Net		$ 1,429,859,490
Outstanding bonds (including premium)	(1,259,774,159)	
Unspent bond proceeds at SNAP	177,966,886	
Deferred outflow related to Bond Refunding	13,846,596	
Net Outstanding Debt		(1,067,960,677)
Less Retainage & Construction A/P		(1,307,329)
Lease and SBITA Liability		(26,623,773)
Investment in Capital Assets Net of Debt		$ 333,967,712

Exhibit XII
(Continued)

NOTE 5. CAPITAL ASSETS (Continued)

Component Unit - Schools

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2024:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital Assets Not Being Depreciated				
Land and Land Improvements	$ 999,381	$ -	$ -	$ 999,381
Construction-in progress	-	3,917,852	-	3,917,852
Total Capital Assets Not Being Depreciated	999,381	3,917,852	-	4,917,233
Depreciable Capital Assets				
Buildings	47,306,410	1,019,104	-	48,325,514
Furniture and Other Equipment	26,180,716	2,784,631	187,534	28,777,813
Right-of-Use assets	24,725,183	521,612	-	25,246,795
SBITA assets	2,319,523	2,768,370	390,680	4,697,213
Total Depreciable Capital Assets	100,531,832	7,093,717	578,214	107,047,335
Less Accumulated Depreciation For				
Buildings and building improvements	36,632,693	991,049	-	37,623,742
Furniture and Other Equipment	17,637,524	1,654,793	187,534	19,104,783
Right-of-Use Leases Assets	7,101,964	3,569,304	-	10,671,268
SBITA assets	631,186	1,256,895	390,680	1,497,401
Depreciable Capital Assets, Net	62,003,367	7,472,041	578,214	68,897,194
Total Other Capital Assets, Net	38,528,465	(378,324)	-	38,150,141
Totals	$ 39,527,846	$ 3,539,528	$ -	$ 43,067,374

In FY 2002, the Virginia Assembly passed a general law to respond to GASB Statement No. 34 that establishes the local option of creating, for financial reporting purposes, a tenancy in common with the local schools when a city or county issues bonds for acquisition, construction, or improvement of public school property. The sole purpose of the law is to allow cities and counties the ability to record school assets and related debt liabilities together. As a result, certain assets purchased with the City's general obligation bonds are now recorded as part of the primary government. According to the law, the tenancy in common ends when the associated obligation is repaid; therefore, the assets will revert to the Alexandria schools when the bonds are repaid. Nothing in the law alters the authority or responsibility of the local schools or control of the assets. All depreciation was charged to education.

NOTE 5. CAPITAL ASSETS (Continued)

Primary Government

Construction-in-progress is composed of the following at June 30, 2024:

	Project Authorization	Expended Through June 30, 2024	Committed
Schools Capital Projects	$ 253,953,517	$ 188,064,726	$ 53,063,797
Housing and Community Improvement	136,878,020	78,317,546	2,517,459
Parks and Recreation	63,852,785	16,064,524	15,012,002
Public Buildings	83,979,218	28,420,525	14,267,488
Public Safety	4,588,716	1,073,559	483,058
Infrastructure	20,193,679	6,775,963	3,356,444
Information Technology Hardware	17,915,304	14,194,346	2,695,290
Total	$ 581,361,239	$ 332,911,189	$ 91,395,538

Component Units

There were no construction in progress authorizations for the component units.

NOTE 6. RISK MANAGEMENT

The City is exposed to various losses related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. It is the policy of the City to retain the risks of losses in those areas where it believes it is more economical to manage its risks internally and account for any claims settlement in the General Fund. Exceptions to the self-insurance program are made when insurance coverage is available and when premiums are cost effective. The City is covered by property/casualty insurance policies on real and personal property and the following liability insurance policies as of June 30, 2024: public entity and public officials' excess liability, medical malpractice liability, voting booths, special events, vacant buildings, volunteer liability, cyber liability, and commercial crime. In addition, the City maintains excess workers' compensation insurance. There were no material reductions in insurance coverage from coverage in the prior fiscal year, nor did settlements exceed coverage for any of the past four fiscal years.

The City is self-insured for workers' compensation claims up to $1.5 million, and for public officers, public entity, physical damage to vehicles, and vehicle general liability under $2.0 million and over $10.0 million.

Self-Insurance

The non-current portion of unpaid workers' compensation claims amounted to approximately $23.0 million as of June 30, 2024, and is reflected in the government-wide statements. The current portion is recorded as an accrued liability in the General Fund and the government-wide financial statements. In FY 2009, the City became self-insured for one of the two health insurance plans offered to employees. On June 30, 2024, the current portion of employees' health insurance was $1.5 million which represents an estimate of health insurance claims that have been incurred but not reported and are reported in accrued liabilities. Therefore, a long-term liability has not been recorded as of June 30, 2024. Liabilities are reported when it is probable that losses have occurred, and the amounts of the losses can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported to date. Liabilities are determined using a combination of actual claims experience and actuarially determined amounts and include incremental claim adjustment expenses and estimated recoveries. An independent contractor processes claims, and the City records a provision and liability in the government-wide statements and General Fund (current portion only) for an estimate of incurred but not reported claims. Changes in the estimated claims payable for workers' compensation and health insurance during the fiscal years ended June 30, 2024 and 2023 were as follows:

	Workers' Compensation	Health Insurance
July 1, 2022 Liability Balance	$ 19,102,052	$ 1,713,220
Claims and Changes in Estimates	5,800,358	21,194,581
Claim Payments	(4,231,788)	(21,314,889)
June 30, 2023 Liability Balance	20,670,622	1,592,912
Claims and Changes in Estimates	28,918,180	21,530,042
Claim Payments	(26,576,832)	(21,651,876)
June 30, 2024 Liability Balance	$ 23,011,970	$ 1,471,078

The Health Insurance liability is included in other liabilities.

Insurance Commitment

In addition, the City has established a General Fund self-insurance commitment of $6.5 million as of June 30, 2024.

NOTE 6. RISK MANAGEMENT (Continued)

Risk Pools

On March 15, 1986, the City joined the Commonwealth of Virginia's Law Enforcement Liability plan, called VA Risk, on behalf of the Office of the Sheriff. The Division of Risk Management of the Commonwealth's Department of General Services operates VA Risk. The division was created in accordance with Sec. 2.1-526.8:1 of the Code of Virginia, which says that the State shall have the right and duty to defend any suit seeking damages or compensation against the City's officials and employees on account of wrongful acts, even if any of the allegations of the suit are groundless, false, or fraudulent, and may make the investigation and settlement of any claims or suit as deemed expedient. The limits of VA Risk coverage are $1.0 million per claim. The City retains the risk for all claims in excess of $1.0 million. Claims have not exceeded coverage in the last four years.

On October 1, 1987, the Alexandria Transit Company joined the Virginia Transit Liability Pool. Commercial companies service the Virginia Transit Liability Pool.

The coverage and limits of the pool's liability to the City are as follows:

Commercial General Liability	$20 million
Automobile Liability	$20 million
Uninsured Motorist	$50,000
Automobile Physical Damage	(Actual Cash Value)

Under the provisions of the Virginia Workers' Compensation Act, the Alexandria Transit Company has secured the payment of Virginia compensation benefits and employers' liability coverage with the Virginia Municipal Group Self-Insurance Association (VMGSIA). VMGSIA is a public entity risk pool providing a comprehensive workers' compensation insurance program to Virginia municipalities and other local government entities. In addition to insurance coverage, the program provides risk management services with emphasis on loss control and claims administration. The Alexandria Transit Company pays an annual premium to VMGSIA for workers' compensation coverage. VMGSIA is self-sustaining through member premiums and will reinsure for claims in excess of $5.0 million. Each member's premium is determined through an actuarial analysis based upon the individual member's experience and number of employees. In FY 2024, the Alexandria Transit Company paid an annual premium of $0.2 million for participation in this pool.

Line of Duty Act (LODA) Pension, OPEB, Health, and Disability/Life Insurance Benefits

The City provides pension, health, and disability/life insurance benefits to the beneficiaries of certain law enforcement and rescue personnel disabled or killed in the line of duty. Benefit provisions and eligibility requirements are established by Title 9.1 Chapter 4 of the Code of Virginia.

In accordance with the State Code, LODA retirees elect a plan administered through the Virginia Department of Human Resources (DHRM). The City pays the DHRM the premiums for covered retirees, spouses, and widows. In FY 2024, the City contributed to the OPEB trust fund for Line of Duty Act benefits. In fiscal year 2024, an actuarial valuation was issued for Line of Duty Act benefits (see Note 16 OPEB). According to the December 31, 2023, actuarial valuation, 781 active employees were eligible for Line of Duty Act pension/health benefits. As of June 30, 2024, 97 beneficiaries were receiving Line of Duty Act health benefits. During FY 2024, Line of Duty Act premium payments for the recipients amounted to $1.7 million.

NOTE 6. RISK MANAGEMENT (Continued)

Component Units

The School Board carries commercial insurance for all risks of loss including property, theft, auto liability, physical damage, and general liability insurance through the Virginia Municipal League. Settled claims resulting from these risks have not exceeded commercial reinsurance coverage for the past three years. There were no material reductions in insurance coverage from coverage in the prior fiscal year nor did settlements exceed coverage for any of the past three fiscal years. The School Board also carries catastrophic medical insurance for Virginia High School League Student participants.

The Library carries commercial insurance with the Virginia Municipal League for all risks of loss including property insurance, theft, auto liability, physical damage, and general liability insurances. There were no material reductions in insurance coverage from coverage in the prior fiscal year, nor did settlements exceed coverage for any of the past four fiscal years.

Exhibit XII
(Continued)

NOTE 7. LEASES

Leases Payable

GASB Statement No. 87, Leases primary objective for this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Easements

On April 1, 2023, the City entered into a 60-month lease as lessee with Hornblower City Cruise/Water Taxi. An initial lease liability was recorded in the amount of $1,071,674. As of 06/30/2024, the value of the lease liability is $843,007. The City is required to make annual fixed payments of $16,906. The lease has an interest rate of 2.457%. The value of the right to use asset as of June 30, 2024 of $1,071,674 with accumulated amortization of 264,104 is included with Easements on the Lease Class activities table found below.

Buildings

On or before June 30, 2023, the City entered into leases from 15 - 180 months as lessee for the use of various buildings. Initial lease liability was recorded in the amount of $36,540,196. As of 06/30/2024, the value of the lease liability is $25,009,661. The City is required to make monthly fixed payments ranging from $1,435 to $149,410. The leases have interest rates ranging from .237% to 2.65%. The buildings estimated useful life was up to 360 months as of the contract commencement. The value of the right to use assets as of 06/30/2024 of $32,109,144 with accumulated amortization of $8,660,427 is included with Buildings on the Lease Class activities table found below.

Equipment

On or before June 30, 2023, the City entered into leases from 14 - 68 months as lessee for the use of office equipment. An initial lease liability was recorded in the amount of $381,885. As of 06/30/2024, the value of the lease liability is $150,086. The City is required to make monthly fixed payments ranging from $250 to $2,472. The leases have interest rates ranging from .237% to 2.54%. The equipment estimated useful life was up to 60 months as of the contract commencement. The value of the right to use assets as of 06/30/2024 of $442,424 with accumulated amortization of $302,346 is included with Equipment on the Lease Class activities table found below.

Land

Before June 30, 2023, the City entered into leases from 51 - 90 months as lessee for the use of land. An initial lease liability was recorded in the amount of $761,213. As of 06/30/2024, the value of the lease liability is $318,944. The City is required to make monthly fixed payments ranging from $3,447 to $27,871. The leases have interest rates ranging from .814% to 1.372%. The land estimated useful life was up to 90 months as of the contract commencement. The value of the right to use asset as of June 30, 2024, of $761,213 with accumulated amortization of $447,085 is included with Land on the Lease Class activities table found below.

Infrastructure

Before June 30, 2023, the City entered into a 190-month lease as lessee for the use of the N. Hampton & King Site. An initial lease liability was recorded in the amount of $346,191. As of 06/30/2024, the value of the lease liability is $293,047. The City is required to make annual fixed payments of $23,386. The lease has an interest rate of 1.9420%. The estimated useful life of the infrastructure site was 190 months as of the contract commencement. The value of the right to use asset as of June 30, 2024 of $346,191 with accumulated amortization of $65,353 is included

NOTE 7. LEASES (Continued)

with Infrastructure on the Lease Class activities table found below. City of Alexandria has 2 extension option(s), each for 60 months.

Amount of Lease Assets by Major Classes of Underlying Asset

	As of Fiscal Year-end		
Asset Class	Lease Asset Value	Accumulated Amortization	Net Lease Asset Value
Buildings	$ 32,109,143	$ 8,660,429	$ 23,448,714
Equipment	442,424	302,346	140,078
Infrastructure	346,191	65,352	280,839
Land	761,213	447,084	314,129
Easements	1,071,674	264,104	807,570
Total Leases	$ 34,730,645	$ 9,739,315	$ 24,991,330

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	$ 3,122,954	$ 432,908	$ 3,555,862
2026	2,764,435	383,412	3,147,847
2027	2,720,374	336,451	3,056,825
2028	2,727,288	289,177	3,016,465
2029	2,626,861	243,750	2,870,611
2030-2034	11,604,845	549,505	12,154,350
2035-2037	1,047,988	30,031	1,078,019
	$ 26,614,745	$ 2,265,234	$ 28,879,979

Leases Receivable

Buildings

On or before June 30, 2023, the City entered into leases ranging from 20 to 180-month leases as Lessor for the use of various buildings. An initial leases receivable was recorded in the amount of $6,997,977. As of June 30, 2024, the value of the lease receivable is $5,695,422. The lessees are required to make monthly fixed payments ranging from $1,288 to $28,098. The leases have an interest rate ranging from .237% to 2.89%. The Buildings estimated useful life was up to 180 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2024 was $5,496,556, and City of Alexandria recognized lease revenue of $634,447 during the fiscal year.

Exhibit XII
(Continued)

NOTE 7. LEASES (Continued)

Land

On or before June 30, 2023, the City entered into leases ranging from 62 to 768-month leases as Lessor for the use of various parcels of land. An initial lease receivable was recorded in the amount of $7,011,808. As of June 30, 2024, the value of the lease receivable is $5,985,381. The lessees are required to make monthly fixed payments ranging from $300 to $20,081. The leases have an interest rate ranging from .98% to 2.449%. The Land estimated useful life was up to 768 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2024 was $5,878,907, and City of Alexandria recognized lease revenue of $372,620 during the fiscal year.

Infrastructure

Before June 30, 2023, the City entered into leases ranging from 170 to 232-month leases as Lessor for the use of various infrastructure sites in Alexandria. An initial lease receivable was recorded in the amount of $1,174,742. During the year the City entered into additional lease for 96 months. As of June 30, 2024, the value of the lease receivable is $2,094,849. The lessees are required to make monthly fixed payments ranging from $2,744 to $14,250. The leases have an interest rate ranging from 1.803% to 2.19%. The infrastructure sites have an estimated useful life was up to 232 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2024 was $1,998,856, and City of Alexandria recognized lease revenue of $247,102 during the fiscal year.

The City had additional leases outstanding for Land Improvements. There is an outstanding balance of $230,180 as of June 30, 2024.

Principal and Interest Expected to Maturity

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	$ 1,199,616	$ 330,666	$ 1,530,282
2026	1,168,062	302,264	1,470,326
2027	1,080,071	274,752	1,354,823
2028	1,100,197	248,175	1,348,372
2029	1,057,153	221,689	1,278,842
2030 - 2034	3,980,305	770,744	4,751,049
2035 - 2039	2,193,202	372,235	2,565,437
2040 - 2044	1,165,460	198,219	1,363,679
2045 - 2049	461,555	86,061	547,616
2050 - 2054	55,790	70,135	125,925
2055 - 2059	62,891	63,034	125,925
2060 - 2064	70,895	55,030	125,925
2065 - 2069	79,918	46,006	125,924
2070 - 2074	90,090	35,835	125,925
2075 - 2079	101,556	24,369	125,925
2080 - 2084	114,482	11,443	125,925
2085	24,589	596	25,185
	$ 14,005,832	$ 3,111,253	$ 17,117,085

Exhibit XII
(Continued)

NOTE 7. LEASES (Continued)

Primary Government – Governmental Activities

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

All liabilities – both current and long-term – are reported in the Statement of Net Position. The adjustment from modified accrual to full accrual as it relates to leases is as follows:

Balances at June 30, 2024:

Long term Lease Liability for right to use assets	$ (26,614,745)	
Intangible right to use assets	34,730,645	
Amortization	(9,739,315)	
Lessee adjustment		(1,623,415)
Lease receivable for right to use assets	14,005,832	
Deferred inflow of right to use assets	13,600,119	
Lessor adjusment		27,605,951
Net Lease adjustment		$ 25,982,536

Exhibit XII
(Continued)

NOTE 8. COMMITMENTS AND CONTINGENCIES

A. Washington Metropolitan Area Transit Authority

The City's commitments to WMATA are comprised of agreements to make capital contributions for construction of the rail transit system, contributions for replacement and improvement of rail and bus equipment, and payments of operating subsidies for both the rail and bus systems.

The City and other participating jurisdictions have entered into a series of capital contribution agreements with WMATA to fund the local share of the cost of the regional Metrorail transit system. The City's commitments are summarized as follows:

1. Capital contributions - Bus and Rail Replacement

In June 2021, a new six-year Capital Funding Agreement was signed by all members of the WMATA Compact after a series of one-year extensions of the 2010 six-year agreement. That funding agreement did not assume an increase of $150 million per year of new federal funds beyond FY 2022 but did assume approximately $50 million each from the Commonwealth of Virginia, the State of Maryland, and the District of Columbia. The new agreement totaled $13.6 billion over the six-year period, and $2.1 billion was projected to be funded by the federal government. The participating jurisdictions' financial obligations, per the Regional Capital Funding Agreement, are subject to individual jurisdictional annual appropriation consideration. The dollar amount of the FY 2025 contribution is $13.8 million, compared to the FY 2024 contribution for Alexandria, which was $13.5 million. The Virginia 2018 dedicated funding legislation also requires that local jurisdictions pay a match to the state dedicated funding. In FY 2025, this amount was $4.1 million, in addition to the allocation specified in the CFA.

2. Operating subsidies - Bus and Rail Systems

During FY 2024, obligations for bus and rail subsidies amounted to $56.4 million. The City paid these obligations from the following sources:

City General Fund	$14.6
Transportation Improvement Program (TIP)	$1.7
State Aid and State Motor Fuel Sales Tax revenues	$38.5
NVTA 30%	$1.6
TOTAL (millions)	**$56.4**

B. Northern Virginia Transportation District Bonds

In November 1999, the City signed an agreement with the Commonwealth Transportation Board to provide $256,070 annually (subject to appropriation) to finance certain Northern Virginia Transportation District Bond projects benefiting the City and other jurisdictions in Northern Virginia. The FY 2024 payment of $256,070 was made from the proceeds from the telecommunications taxes received by the City's General Fund.

C. Waste-To-Energy Facility

The City has a waste disposal commitment to the Waste-to-Energy Facility (the "Facility"), which is owned and operated by a private corporation (the "Corporation"). The commitment, which is joint with Arlington County, Virginia (the "County"), is based on a combined volume of solid waste the City and the County expect to collect. The Facility charges the City and the County fees on each ton based on a waste disposal agreement and contracts separately with private haulers for additional waste. It is expected that the City and the County will be able to continue to meet their minimum requirement for annual tonnage of 46,000 to 66,000 tons per year. The City and the County can adjust the tonnage thresholds annually if it appears the annual tonnage is approaching a minimum or maximum threshold.

NOTE 8. COMMITMENTS AND CONTINGENCIES (Continued)

The construction of the Facility was originally financed with revenue bonds issued by the Alexandria Industrial Development Authority in 1984. The Arlington Solid Waste Authority, together with the Alexandria Sanitation Authority (the "Authorities") and the Corporation, refinanced these bonds in July 1998 to achieve debt service savings. Additionally, the Authorities issued new bonds in November 1998 to finance the retrofit of the Facility to meet Clear Air Act requirements. This retrofit was completed by November 9, 2000 in advance of the EPA deadline of December 19, 2000. The retrofit assets continue to be owned by the Authorities. Upon the maturity of the bond in January 2008, the ownership of the plant (but not the land it sits on, which is jointly owned by Alexandria and Arlington) was passed to the Corporation.

Acceptance testing on each unit was completed in November 2000, and the Lease agreement between the Authorities and the Corporation took effect in January 2001. The lease and the promissory note were removed from the City records and are now considered a part of the plant.

By December 2012, all the related revenue bond debt service had been paid in full. A new Facilities Monitoring Group ("FMG") was established, and a new trust fund was set up to fund FMG'S activities. It is funded entirely by contributions from the County (60%) and the City (40%). The FMG budget for FY 2024 was $118,000 and according to the interjurisdictional agreement the City's contribution was $47,200. The operating costs of the Facility are paid primarily through tipping fees. The City paid $956,551 in tipping fees in FY 2024 and is anticipating a similar cost in FY 2025.

D. Federal and State Sanitary and Stormwater Requirements

Because of state and federal regulations related to improving the water quality of the Chesapeake Bay in the six states and the District of Columbia that comprise the Bay's watershed, many cities and counties in this large geographic area will be required to make significant capital investments in sanitary, stormwater treatment, and agricultural runoff systems over the coming decades. During the 2017 Legislative Session, the Virginia General Assembly passed legislation to accelerate the completion to July 1, 2025, of the City's planned work to mitigate sanitary sewer overflows on the City's four combined sewer outfalls ("CSO's"). The cost to mitigate the CSO's is estimated to cost $615 million. The Alexandria Sanitation Authority (dba Alexandria Renew Enterprises) will build and finance this project and increase its user rates sufficient to repay its planned revenue bond borrowing. As part of the Approved FY 2019 – FY 2028 CIP and FY 2019 Operating Budget, City Council approved the implementation of a Stormwater Utility to address these state and federal storm water quality improvement regulations. In the Approved FY 2025 – FY 2034 CIP, fees for the Stormwater Utility, along with state grants, will fund $264.2 million to expand and accelerate flood mitigation and stormwater infrastructure projects over the next ten years and enable the City to meet its State and federal regulatory requirements.

The City also maintains a wastewater collection system serving residents and businesses that comprises of approximately 240 miles of sewers. Alexandria Renew Enterprises is an independent governmental agency that provides wastewater treatment services to most of the City and to a portion of southern Fairfax County. Alexandria Renew Enterprises levies user fees to finance its operating and capital programs. The current Alexandria Renew Enterprises treatment facility has a treatment capacity of 54 million gallons per day ("MGD"), of which 60 percent is allocated to Fairfax County and 40 percent to the City. Based on City new development build-out projections, the City's allocated capacity is projected to be approaching full utilization by about 2040. Based on these projections, an additional 4 MGD capacity will be needed beyond 2040. In order to provide this additional capacity for the City, alternatives need to be evaluated that may include purchasing a portion of Fairfax's capacity at the plant and/or implementing plant systems upgrades. The City continues to coordinate with Alexandria Renew Enterprises on weather flow management mitigation initiatives, such as City's infiltration and inflow program, and RiverRenew program. RiverRenew is a $615 million program that will improve the health and quality of Alexandria's waterways by preventing millions of gallons of combined sewage from polluting the Potomac River, Hunting Creek and Hoofs Run. This water quality initiative, being led by Alexandria Renew Enterprises, is the largest infrastructure project in the history of Alexandria.

NOTE 8. COMMITMENTS AND CONTINGENCIES (Continued)

The RiverRenew program led by Alexandria Renew Enterprises is anticipated to reduce overflows from the Combined Sewer System from an average of about 70 events to less than 4 per year. The transfer of four outfalls from the City to Alex Renew allowed Alexandria Renew Enterprises to own all the combined sewer outfalls and then finance and contract to own the proposed River Renew project, consisting of a unified tunnel and dual use wet weather treatment infrastructure. Alexandria Renew Enterprises is debt financing this CSO project and will increase its user rates to repay bonds issued for the CSO project. The City continues to coordinate with Alexandria Renew Enterprises on wet weather flow management mitigation initiatives, such as the City's infiltration and inflow program, and RiverRenew program.

E. Landmark Mall Redevelopment

In December 2020, the City, Inova Health Care Services (Inova) and a joint venture that includes Foulger-Pratt, Howard Hughes Corporation and Seritage (FP Joint Venture, now Landmark Land Holdings, LLC, Developer) announced a partnership to redevelop the 51-acre Landmark Mall site into a mixed-use town-center type development with new regional Level II Trauma Center Hospital, Cancer Center and at least one medical office building. In total, the plan will encompass 5.6 million (FAR) square feet of new development. For the City, the Landmark total redevelopment, including the impact of moving Inova from its current site, is expected to generate $1.15 billion in tax revenue over a 30-year period and create a town center for the West End of the City.

The proposed development is expected to transform the unoccupied, enclosed mall site into a mixed-use, walkable urban village. Inova, the leading nonprofit health care provider in Northern Virginia, is expected to invest an estimated $1 billion to create a new medical campus, anchored by the relocation and expansion of its Alexandria Hospital and more than 2,000 health care workers. Development plans on the balance of the site include residential, retail, commercial, and entertainment offerings integrated into a cohesive neighborhood with a central plaza, a network of parks and public spaces, and a transit hub serving bus rapid transit (BRT), DASH, and Metrobus. Affordable and workforce housing is expected to be enhanced through Developer contributions and co-location with community facilities such as a new Alexandria Fire-EMS station to replace the outdated nearby Station 208.

Excluding the cost of financing, the transaction involves $177.6 million in direct public participation comprising (1) a $123.6 million investment in infrastructure improvements at and adjacent to the site (plus capitalized interest) to be funded through a plan of synthetic tax increment financing backstopped by special assessments imposed on the property within a Community Development Authority district, and (2) a $54 million purchase of land and parking space rights for the hospital site by the IDA, which will then lease the land and associated parking easements to Inova.

F. Opioid Settlement

On August 20, 2021, the Commonwealth of Virginia and its localities entered and signed the Virginia Opioid Abatement Fund and Settlement Allocation Memorandum of Understanding. These actions result in an exchange transaction for the FY2022 reporting period, thus creating an event that results in a revenue accrual. Over a period of 18 years, the City is projected to receive $2,632,693. As of June 30, 2024, the City has received $715,273, leaving a remaining balance receivable of $1,917,423. As of June 30, 2024, the City has expended $172,673 of Opioid Settlement funds.

G. Litigation

The City is contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operations. It is the opinion of City management and the City Attorney that any loss not covered by insurance reserves or fund balance commitments that may ultimately be incurred as a result of the suits and claims will not be material and thus will not have a substantial financial impact.

NOTE 9. LONG-TERM DEBT

General Obligation Bonds - The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds are subject to the provisions of the Internal Revenue Code of 1986 related to arbitrage and interest income tax regulations under those provisions. As of June 30, 2024, the City's estimated arbitrage rebate and yield liability was $3,601,492. General obligation bonds outstanding as of June 30, 2024, are comprised of the following individual issues:

1.	$246.6 million General Obligation Capital Improvement Bonds of 2023, installments ranging from $5.9 million to $15.3 through 2054, bearing interest rates ranging from 4.0 to 5.0 percent payable semiannually on June 15 and December 15, and maturing on December 15, 2053. The bonds will be subject to optional redemption in whole or in part at the direction of the City on or after December 15, 2033.	$	246,635,000
2.	$143.4 million General Obligation Capital Improvement Bonds of 2022, installments ranging from $1.4 million to $6.9 through 2052, bearing interest rates ranging from 4.0 to 5.0 percent payable semiannually on June 15 and December 15, and maturing on December 15, 2052. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after December 15, 2032.		137,840,000
3	$50 million General Obligation Capital Improvement Bonds of 2022, installments of $3.3 through 2037, bearing interest rate of 2.82 percent payable semiannually on January 15 and July 15, and maturing on July 15, 2037. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after July 15, 2029.		46,620,000
4.	$143.1 million General Obligation Capital Improvement Bonds of 2021, installments ranging from $3 million to $7.9 million through 2041, bearing interest rates ranging from 1.75 percent to 5.0 percent payable semiannually on June 15 and December 15, and maturing on December 15, 2041. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after December 15, 2031.		135,135,000
5.	$11.7 million General Obligation Refunding Bond of 2021(Federally Taxable), installments ranging from $0.09 million to $1.95 million through 2034, bearing interest rates ranging from 1.7 to 2.0 percent payable semiannually on January 15 and July 15, and maturing on July 15, 2022. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after June 15, 2031.		11,695,000
6.	$49.8 million General Obligation Refunding Bond of 2020, installments ranging from $0.34 million to $10.5 million through 2033, bearing interest rates ranging from 0.45 to 1.95 percent payable semiannually on June 15 and December 15 and maturing on June 15, 2033. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after June 15, 2030.		30,470,000
7.	$204.0 million General Obligation Capital Improvement Bonds of 2019, installments ranging from $0.5 million to $12.3 million through 2050, bearing interest rates ranging from 2.1 percent to 5.0 percent payable semiannually on January 15 and July 15, and maturing on July 15, 2050. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after July 15, 2030.		201,340,000
8.	$40.9 million General Obligation Capital Improvement Bonds of 2018, installments ranging from $0.75 million to $2.15 million through 2038, bearing interest rates ranging from 2.9 percent to 5.0 percent payable semiannually on January 15 and July 15, and maturing on July 15, 2038. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after July 15, 2028.		32,225,000
9.	$34.9 million General Obligation Refunding Bond of 2017, installments ranging from $3.0 million to $4.0 million through 2030, bearing interest rate 5.0 percent payable semiannually on January 1 and July 1, and maturing on July 1, 2030. The Bonds are not subject to optional redemption prior to their maturities.		25,925,000
10.	$102.2 million General Obligation Refunding Bond of 2017, installments ranging from $0.5 million to $11.7 million through 2032, bearing interest rates ranging from 3.0 percent to 5.0 percent payable semiannually on January 1 and July 1, and maturing on July 1, 2032. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after July 1, 2027.		69,860,000
11.	$4.4 million General Obligation Capital Improvement Bonds of 2017 (taxable), installments ranging from $0.21 million to $0.22 million through 2037, bearing interest rates ranging from 2.4 percent to 3.4 percent payable semiannually on January 15 and July 15, and maturing on July 15, 2037. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after July 15, 2027.		3,060,000

NOTE 9. LONG-TERM DEBT (Continued)

12.	$94.7 million General Obligation Capital Improvement Bonds of 2017 (tax exempt), installments ranging from $2.0 million to $5.0 million through 2037, bearing interest rates ranging from 2.0 percent to 5.0 percent payable semiannually on January 15 and July 15, and maturing on July 15, 2037. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after July 15, 2027.		69,730,000
13.	$34.2 million General Obligation Refunding Bond of 2016 (tax exempt), installments ranging from $0.4 million to $4.1 million through 2031, bearing interest rate 1.9 percent payable semiannually on January 15 and July 15 and maturing on July 15, 2031. The City irrevocably exercises its option to redeem all the refunded bonds on the redemption date.		31,445,000
14.	$73.7 million General Obligation Capital Improvement Bonds of 2016 (tax exempt), installments ranging from $1.4 million to $4.0 million through 2036, bearing interest rates ranging from 2.0 percent to 5.0 percent payable semiannually on January 15 and July 15, and maturing on July 15, 2036. The Bonds will be subject to optional redemption in whole or in part at the direction of the City on or after July 15, 2026.		51,935,000
15.	$10.6 million General Obligation Refunding Bonds (taxable) of 2015, installments ranging from $1.0 million to $1.1 million through 2028, bearing interest rates ranging from 0.9 percent to 3.5 percent payable semiannually on January 15 and July 15 and maturing on July 15, 2028.The Bonds will not be subject to optional redemption prior to maturity.		2,370,000
16.	$23.2 million General Obligation Capital Improvement (tax-exempt) Bonds of 2015, installments ranging from $1.1 million to $1.2 million through 2035, bearing interest rates ranging from 3.0 percent to 5.0 percent payable semiannually on January 15 and July 15. The Bonds are subject to optional redemption in whole or in part at the discretion of the City on or after July 15, 2025.		13,895,000
17.	$34.0 million General Obligation (tax-exempt) Refunding Bonds of 2015, installments ranging from $0.4 million to $6.2 million through 2028, bearing interest at 1.9 percent. The Bonds are subject to optional redemption in whole or in part at any time by the City, upon thirty days prior written notice, at a redemption price equal to 100% of the outstanding principal amount of the Bond redeemed plus accrued interest to the redemption date, plus the Fixed Rate Prepayment Charge. This is a direct bank loan.		21,145,000
18.	$36.0 million General Obligation Improvement (tax-exempt) Bonds of 2014 installments averaging $1.8 million through 2035, bearing interest rates ranging from 2.0 percent to 5.0 percent. The Bonds maturing on or before January 15, 2025, are not subject to redemption prior to maturity. The Bonds maturing on or after January 15, 2026, may be redeemed before their maturities on or after January 15, 2025, at the option of the City, in whole or in part, in installments of $5,000 at any time or from time to time at par plus the interest accrued and unpaid on the principal amount to be redeemed to the date fixed for redemption.		3,600,000
	Total	$	1,134,925,000

NOTE 9. LONG-TERM DEBT (Continued)

The outstanding bonds listed below have been issued. The maturity dates are noted in fiscal year format.

1. General Obligation Capital Improvement Bonds of 2023

CUSIP	Issue	Rate	Maturity Date December 15,
015303DE7	8,755,000	5.00	2024
015303DF4	8,755,000	5.00	2025
015303DG2	8,750,000	5.00	2026
015303DH0	10,105,000	5.00	2027
015303DJ6	10,175,000	5.00	2028
015303DK3	10,245,000	5.00	2029
015303DK1	10,320,000	5.00	2030
015303DM9	10,400,000	5.00	2031
015303DN7	10,480,000	5.00	2032
015303DP2	10,565,000	5.00	2033
015303DQ0	10,660,000	5.00	2034
015303DR8	10,755,000	5.00	2035
015303DS6	10,855,000	5.00	2036
015303DT4	10,960,000	5.00	2036
015303DU1	11,070,000	5.00	2038
015303DV9	11,185,000	5.00	2039
015303DW7	11,305,000	5.00	2040
015303DX5	11,435,000	5.00	2041
015303DZ0	11,570,000	4.00	2042
015303DZ0	11,680,000	4.00	2043
015303EE6	3,050,000	4.00	2044
015303EE6	3,170,000	4.00	2045
015303EE6	3,300,000	4.00	2046
015303EE6	3,430,000	4.00	2047
015303EE6	3,565,000	4.00	2048
015303EK2	3,710,000	4.00	2049
015303EK2	3,860,000	4.00	2050
015303EK2	4,010,000	4.00	2051
015303EK2	4,175,000	4.00	2052
015303EK2	4,340,000	4.00	2053
	$ 246,635,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

2. General Obligation Capital Improvement Bonds of 2022B

CUSIP	Issue	Rate	Maturity Date December 15,
015303BZ2	5,545,000	5.00%	2024
015303CA6	5,545,000	5.00%	2025
015303CB4	6,160,000	5.00%	2026
015303CC2	6,190,000	5.00%	2027
015303CD0	6,225,000	5.00%	2028
015303CE8	6,260,000	5.00%	2029
015303CF5	6,295,000	5.00%	2030
015303CG3	6,335,000	5.00%	2031
015303CH1	6,375,000	5.00%	2032
015303CJ7	6,415,000	5.00%	2033
015303CK4	6,460,000	5.00%	2034
015303CL2	6,510,000	5.00%	2035
015303CM0	6,555,000	5.00%	2036
015303CN8	6,610,000	5.00%	2037
015303CP3	6,665,000	5.00%	2038
015303CQ1	6,715,000	4.00%	2039
015303CR9	6,760,000	4.00%	2040
015303CS7	6,810,000	4.00%	2041
015303CT5	6,865,000	4.00%	2042
015303CU2	1,375,000	4.00%	2043
015303CVO	1,430,000	4.00%	2044
015303CW8	1,485,000	4.00%	2045
015303CX6	1,550,000	4.00%	2046
015303CY4	1,610,000	4.00%	2047
015303CZ1	1,675,000	4.00%	2048
015303DA5	1,745,000	4.00%	2049
015303DD9	5,675,000	4.00%	2052
	$ 137,840,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

3. General Obigation Capital Improvement Bonds of 2022A (Loan)

CUSIP	Issue	Rate	Maturity Date January 15,
N/A	$ 3,330,000	2.82%	2024
N/A	3,330,000	2.82%	2025
N/A	3,330,000	2.82%	2026
N/A	3,330,000	2.82%	2027
N/A	3,330,000	2.82%	2028
N/A	3,330,000	2.82%	2029
N/A	3,330,000	2.82%	2030
N/A	3,330,000	2.82%	2031
N/A	3,330,000	2.82%	2032
N/A	3,330,000	2.82%	2033
N/A	3,330,000	2.82%	2034
N/A	3,330,000	2.82%	2035
N/A	3,330,000	2.82%	2036
N/A	3,330,000	2.82%	237
	$ 46,620,000		

4. General Obligation Capital Improvement Bonds of 2021A

CUSIP	Issue	Rate	Maturity Date December 15,
015303AR1	7,945,000	5.00%	2024
015303AS9	7,945,000	5.00%	2025
015303AT7	7,945,000	5.00%	2026
015303AU4	7,945,000	5.00%	2027
015303AV2	7,945,000	5.00%	2028
015303AW0	7,945,000	5.00%	2029
015303AX8	7,945,000	5.00%	2030
015303AY6	7,945,000	5.00%	2031
015303AZ3	7,160,000	4.00%	2032
015303BA7	7,160,000	4.00%	2033
015303BB5	7,160,000	1.75%	2034
015303BC3	7,160,000	1.75%	2035
015303BD1	7,160,000	1.88%	2036
015303BE9	7,160,000	1.88%	2037
015303BF6	7,160,000	2.00%	2038
015303BG4	7,155,000	2.00%	2039
015303BH2	7,150,000	2.00%	2040
015303BJ8	7,150,000	2.00%	2041
	$ 135,135,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

5 . General Obligation Refunding Bonds of 2021B

CUSIP	Issue	Rate	Maturity Date July 15,
015303BN9	$ 90,000	2.00%	2024
015303BP4	1,945,000	2.00%	2025
015303BQ2	95,000	2.00%	2026
015303BR0	95,000	2.00%	2027
015303BS8	100,000	2.00%	2028
015303BT6	1,915,000	1.70%	2029
015303BU3	1,895,000	1.75%	2030
015303BV1	1,875,000	1.85%	2031
015303BW9	1,855,000	1.95%	2032
015303BX7	1,830,000	2.05%	2033
	$ 11,695,000		

6. General Obligation Refunding Bonds of 2020

CUSIP	Issue	Rate	Maturity Date July 15,
0153027AC4	3,085,000	0.80%	2024
0153027AD2	390,000	1.00%	2025
0153027AE0	395,000	1.15%	2026
0153027AF7	2,195,000	1.35%	2027
0153027AG5	6,135,000	1.40%	2028
0153027AH3	6,030,000	1.50%	2029
0153027AJ9	4,130,000	1.70%	2030
0153027AK6	4,080,000	1.80%	2031
0153027AL4	4,030,000	1.95%	2032
	$ 30,470,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

7. General Obligation Capital Improvement Bonds of 2019A

CUSIP	Issue	Rate	Maturity Date July 15,
0153027E6	1,120,000	5.00%	2024
0153027F3	1,120,000	5.00%	2025
0153027G1	1,120,000	5.00%	2026
0153027H9	3,450,000	5.00%	2027
0153027J5	3,730,000	5.00%	2028
0153027K2	4,010,000	5.00%	2029
0153027L0	4,285,000	5.00%	2030
0153027M8	4,580,000	5.00%	2031
0153027N6	4,895,000	5.00%	2032
0153027P1	5,205,000	4.00%	2033
0153027Q9	6,650,000	2.13%	2034
0153027R7	7,610,000	3.00%	2035
0153027S5	8,570,000	2.25%	2036
0153027T3	9,365,000	3.00%	2037
0153027U0	9,615,000	3.00%	2038
0153027V8	9,855,000	2.63%	2039
0153027W6	10,090,000	2.63%	2040
0153027X4	9,235,000	3.00%	2041
0153027Y2	9,515,000	3.00%	2042
0153027Z9	9,805,000	3.00%	2043
0153028C9	31,235,000	3.00%	2044-2046
0153028G0	46,280,000	3.00%	2047-2050
	$ 201,340,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

8. General Obligation Capital Improvement Bonds of 2018C

CUSIP	Issue	Rate	Maturity Date July 15,
0153026L1	2,150,000	5.00%	2024
0153026M9	2,150,000	5.00%	2025
0153026N7	2,150,000	5.00%	2026
0153026P2	2,150,000	5.00%	2027
0153026Q0	2,150,000	5.00%	2028
0153026R8	2,150,000	5.00%	2029
0153026S6	2,150,000	2.90%	2030
0153026T4	2,150,000	3.00%	2031
0153026U1	2,150,000	3.10%	2032
0153026V9	2,150,000	3.15%	2033
0153026W7	2,145,000	3.20%	2034
0153026X5	2,145,000	3.25%	2035
0153026Y3	2,145,000	3.30%	2036
0153026Z0	2,145,000	3.35%	2037
0153027A4	2,145,000	3.40%	2038
	$ 32,225,000		

9. General Obligation Refunding Bond of 2017D

CUSIP	Issue	Rate	Maturity Date July 1,
0153025Y4	3,075,000	5.00%	2024
0153025Z1	3,110,000	5.00%	2025
0153026A5	3,850,000	5.00%	2026
0153026B3	3,900,000	5.00%	2027
0153026C1	3,945,000	5.00%	2028
0153026D9	3,995,000	5.00%	2029
0153026E7	4,050,000	5.00%	2030
	$ 25,925,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

10. General Obligation Refunding Bond of 2017C

CUSIP	Issue	Rate	Maturity Date July 1,
0153025J7	10,645,000	5.00%	2024
0153025K4	11,450,000	5.00%	2025
0153025L2	11,555,000	5.00%	2026
0153025M0	11,665,000	5.00%	2027
0153025N8	7,695,000	5.00%	2028
0153025P3	7,670,000	3.00%	2029
0153025Q1	3,085,000	4.00%	2030
0153025R9	3,060,000	4.00%	2031
0153025S7	3,035,000	4.00%	2032
	$ 69,860,000		

11. General Obligation Bonds (taxable) of 2017B

CUSIP	Issue	Rate	July 15,
0153024K5	220,000	3.00%	2024
0153024L3	220,000	2.65%	2025
0153024M1	220,000	2.75%	2026
0153024N9	220,000	2.85%	2027
0153024P4	220,000	3.00%	2028
0153024Q2	220,000	3.10%	2029
0153024R0	220,000	3.20%	2030
0153024S8	220,000	3.25%	2031
0153024T6	220,000	3.30%	2032
0153024U3	220,000	3.30%	2033
0153024V1	215,000	3.30%	2034
0153024W9	215,000	3.35%	2035
0153024X7	215,000	3.35%	2036
0153024Y5	215,000	3.40%	2037
	$ 3,060,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

12. General Obligation Capital Improvement Bonds of 2017A

CUSIP	Issue	Rate	Maturity Date July 15,
0153023P5	4,985,000	5.00%	2024
0153023Q3	4,985,000	5.00%	2025
0153023R1	4,980,000	5.00%	2026
0153023S9	4,980,000	5.00%	2027
0153023T7	4,980,000	5.00%	2028
0153023U4	4,980,000	2.00%	2029
0153023V2	4,980,000	3.00%	2030
0153023W0	4,980,000	5.00%	2031
0153023X8	4,980,000	3.00%	2032
0153023Y6	4,980,000	3.00%	2033
0153023Z3	4,980,000	3.00%	2034
0153024A7	4,980,000	3.25%	2035
0153024B5	4,980,000	3.25%	2036
0153024C3	4,980,000	3.25%	2037
	$ 69,730,000		

13. General Obligation Refunding Bond of 2016B

CUSIP	Issue	Rate	Maturity Date July 15,
N/A	$ 4,154,000	1.91%	2024
N/A	4,111,000	1.91%	2025
N/A	4,052,000	1.91%	2026
N/A	3,979,000	1.91%	2027
N/A	3,904,000	1.91%	2028
N/A	3,827,000	1.91%	2029
N/A	3,749,000	1.91%	2030
N/A	3,669,000	1.91%	2031
	$ 31,445,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

14. General Obligation Bonds of 2016A

CUSIP	Issue	Rate	Maturity Date July 15,
0153022U5	$ 3,995,000	5.00%	2024
0153022V3	3,995,000	5.00%	2025
0153022W1	3,995,000	5.00%	2026
0153022X9	3,995,000	5.00%	2027
0153022Y7	3,995,000	5.00%	2028
0153022Z4	3,995,000	2.00%	2029
0153023A8	3,995,000	2.13%	2030
0153023B6	3,995,000	2.63%	2031
0153023C4	3,995,000	2.75%	2032
0153023D2	3,995,000	2.88%	2033
0153023E0	3,995,000	3.00%	2034
0153023F7	3,995,000	3.00%	2035
0153023G5	3,995,000	3.00%	2036
	$ 51,935,000		

15. General Obligation Bonds (taxable) of 2015C

CUSIP	Issue	Rate	Maturity Date July 15,
0153022G6	980,000	2.85%	2024
0153022H4	950,000	3.00%	2025
0153022J0	155,000	3.15%	2026
0153022K7	145,000	3.35%	2027
0153022L5	140,000	3.50%	2028
0153022K8	$ 2,370,000		

Exhibit XII
(Continued)

NOTE 9. LONG-TERM DEBT (Continued)

16. General Obligation Capital Improvement Bonds of 2015B

CUSIP	Issue	Rate	Maturity Date July 15,
015302Y48	$ 1,165,000	5.00%	2024
015302Y55	1,165,000	5.00%	2025
015302Y63	1,165,000	5.00%	2026
015302Y71	1,165,000	5.00%	2027
015302Y89	1,165,000	3.00%	2028
015302Y97	1,165,000	3.00%	2029
015302Z21	1,165,000	3.00%	2030
015302Z39	1,165,000	3.00%	2031
015302Z47	1,165,000	3.13%	2032
015302Z54	1,165,000	3.13%	2033
015302Z62	1,165,000	3.25%	2034
015302Z70	1,080,000	3.25%	2035
	$ 13,895,000		

17. General Obligation Refunding Bond of 2015A Direct Bank Loan

CUSIP	Issue	Rate	Maturity Date July 15,
N/A	$ 6,240,000	1.86%	2024
N/A	6,100,000	1.86%	2025
N/A	3,015,000	1.86%	2026
N/A	2,935,000	1.86%	2027
N/A	2,855,000	1.86%	2028
	$ 21,145,000		

18. General Obligation Capital Improvement Bonds of 2014B

CUSIP	Issue	Rate	Maturity Date January 15,
015302V90	$ 1,800,000	5.00%	2025
015302W24	1,800,000	3.00%	2026
	$ 3,600,000		

NOTE 9. LONG-TERM DEBT (Continued)

The requirements to pay all long-term bonds as of June 30, 2024, including interest payments of $421.4 million, are summarized as follows:

Fiscal Year	Principal	Interest	Total Principal & Interest
2025…….....	$ 69,189,000	$ 42,249,142	$ 111,438,142
2026…….....	67,211,000	39,321,534	106,532,534
2027…….....	64,782,000	36,416,770	101,198,770
2028…….....	68,444,000	33,474,486	101,918,486
2029…….....	68,684,000	30,531,504	99,215,504
2030-2034……	286,070,000	116,133,575	402,203,575
2035-2039……	225,595,000	69,330,267	294,925,267
2040-2054……	284,950,000	53,982,566	338,932,566
	$ 1,134,925,000	$ 421,439,844	$ 1,556,364,844

The General Fund meets debt service requirements for general obligation bonds. The City retains the liability for the portion of general obligation bonds issued to fund capital projects of the Schols.

Legal Debt Margin - The City has no overlapping debt with other jurisdictions. As of June 30, 2024, the City had a legal debt limit of $4.85 billion and a debt margin of $3.71 billion:

Assessed Taxable Value of Real Property, January 1, 2024	$48,490,380,311
Constitution Debt Limit (10% of Assessed Taxable Value)	4,849,038,031
Outstanding General Obligation Indebtedness as of June 30, 2023	
Governmental Activities – General Obligation Debt	1,134,925,000
Net Indebtedness subject to debt limit	$ 1,134,925,000
Legal Debt Margin Remaining	$3,714,113,031
Percentage of net debt margin available	76.6%

Unissued Bonds - Bond authorizations expire three years from the effective date of the respective bond ordinances. Authorization of bonds, bonds issued and expired during the fiscal year ended June 30, 2024, are summarized below:

	Authorized and Unissued July 1, 2023	Authorized	Issued	Expired	Authorized and Unissued June 30, 2024
General obligation Bonds	$ 749,180,000	$ 271,555,000	$ 246,635,000	$ -	$ 774,100,000

NOTE 9. LONG-TERM DEBT (Continued)

On December 13, 2023, the City Council issued $246.6 million in General Obligation Capital Improvement Bonds. The $246.6 million Capital Improvement bonds were issued with an original premium of $25.5 million and a true interest cost of 3.58 percent.

The City has not issued any revenue anticipation notes at any time for the past two decades. On April 13, 2023, the city secured a line of credit totaling $100 million to assist with cash flow and short-term financing of the capital improvement plan.

Changes in Long-Term Liabilities - Changes in the total long-term liabilities during the fiscal year ended June 30, 2024, are summarized below. In general, the City uses the General Fund to liquidate long-term liabilities.

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year
General obligation Bonds	$ 946,057,000	$ 246,635,000	$ 57,767,000	$ 1,134,925,000	$ 69,189,000
Bond Premium	105,501,413	25,493,331	6,145,585	124,849,159	6,145,585
Workers' Compensation Claims	20,670,622	28,918,180	26,576,832	23,011,970	8,920,702
Accrued Compensated Absences	30,623,757	19,422,268	18,949,424	31,096,601	4,032,874
Right to Use Leases	29,812,308	-	3,197,563	26,614,745	3,122,954
Subscription Liability	85,843	-	76,815	9,028	-
Net Pension Liability	171,139,269	26,078,496	1,548,210	195,669,555	-
Net OPEB Liability	20,869,359	-	11,451,392	9,417,967	-
Total	$ 1,324,759,571	$ 346,547,275	$ 125,712,821	$ 1,545,594,025	$ 91,411,115

Primary Government – Governmental Activities

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

All liabilities – both current and long-term – are reported in the Statement of Net Position. The adjustment from modified accrual to full accrual is as follows:

Balances at June 30, 2024:	
Long-term liabilities (detail above)	$ 1,545,594,025
Accrued interest payable	1,127,998
Reconciling items to Governmental Funds	$ 1,546,722,023

NOTE 9. LONG-TERM DEBT (Continued)

Reconciliation to statement of Net Position and Statement of Activities

Reconciliation to Statement of Activities

Under the modified accrual basis of accounting used in the fund financial statements for the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the government-wide statement of activities, however, which is presented on the accrual basis, expenses are reported regardless of when financial resources are available. In addition, interest on long-term debt is recognized under the modified accrual basis of accounting when due, rather than as it accrues. This adjustment from modified accrual to full accrual is composed of the following items:

Compensated absences	$	472,844
Discount and Interest		19,347,746
Workers Compnsation		2,341,348
Accrued Interest on Bonds		445,406
Net Adjustment	$	22,607,344

The adjustment from modified accrual basis to full accrual for pension and OPEB is comprised of pension expense net of pension contributions and OPEB expense net of OPEB contributions.

Pension and OPEB Reconciliation

Pension Expense, Note 17	$	51,605,818
Contributions, measurement date		
City Single Agency & VRS FY24		(43,319,077)
Net Pension Expense		8,286,741
OPEB Expense, Note 16		(1,179,305)
Contributions, measurement date		
City OPEB FY24		(9,246,123)
Net OPEB Adjustment		(10,425,428)
Adjustment to Exhibit IV	$	(2,138,687)

Reconciliation to Net Position:
Deferred Inflows

Deferred Inflows: Exhibit III	$	327,986,991
Deffered Inflows, Taxes Exhibit I		327,986,991
Deferred Resources, Leases Exhibit I		13,600,119
Opioid Settlement Receivable		1,917,423
		15,517,542
Deferred Inflows, Pensions		24,287,287
Deferred Inflows, OPEB		10,595,239
Deferred Inflows, Pensions & OPEB Exhibit I	$	34,882,526

NOTE 9. LONG-TERM DEBT (Continued)

Component Unit – Schools

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year	Long Term Payable
Compensated Absences	$ 10,745,883	$ 660,540	$ -	$ 11,406,423	$ 791,672	$ 10,614,751
Workers' Compensation Claims	1,880,065	1,700,440	1,412,107	2,168,398	1,517,878	650,520
Right to Use Leases	18,425,395	521,612	3,355,445	15,591,562	3,663,717	11,927,845
Subscription Liability	657,439	2,771,557	2,533,734	895,261	602,137	293,124
Net Pension Liability	222,304,241	95,603,853	84,817,321	233,090,773	-	233,090,773
Net OPEB Liability	37,861,213	11,001,553	17,800,607	31,062,159	-	31,062,159
Total	$ 291,874,236	$ 112,259,555	$ 109,919,214	$ 294,214,576	$ 6,575,404	$ 287,639,172

Refunding Bonds

Prior-year Defeasance of Debt

In prior years, the City defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On June 30, 2024, $13,846,596 of bonds outstanding were considered defeased.

NOTE 10. INTERFUND BALANCES AND COMPONENT UNIT TRANSACTIONS

Primary government transfer activities include:

Transfers from the General Fund to the Special Revenue Fund represent City funds required to match grant programs resources and taxes collected for affordable housing projects and to fund transportation agreements. In addition, the City transferred $0.01 million in capital assets to Alexandria Transit in FY 2024.

Special Revenue funds are transferred to other funds for capital and equipment purchases as determined by the terms of the grant agreements.

Transfers from the General Fund to the Capital Projects fund represent the City's budgeted pay-as-you-go funding of capital projects.

Transfers from Special Revenue funds to Capital Projects represent grants received for capital-related expenditures.

This balance represents timing differences related to accounts receivable.

Interfund transfers and transactions for the year ended June 30, 2024, consisted of the following:

Transfers:	**General**	**Special Revenue**	**Capital Projects**	**Total Transfers In**
Primary Government				
General Fund	$ -	$ 12,040,241	$ 3,005,468	$ 15,045,709
Special Revenue	70,649,506	40,948,973	-	111,598,479
Capital Projects	48,392,581	16,174,200	-	64,566,781
Alexandria Transit	30,248,594	-	-	30,248,594
Total Transfers Out	$ 149,290,681	$ 69,163,414	$ 3,005,468	$ 221,459,563

Transactions with the component units represent budgeted subsidies for the school and library operations and capital projects.

Component unit transfers and transactions for the year ended June 30, 2024, consisted of the following:

Component Units

Schools	$ 258,686,800	$ -	$ 17,772,859	$ 276,459,659
Library	8,336,066	-	-	8,336,066
Total Transfers Out	$ 267,022,866	$ -	$ 17,772,859	$ 284,795,725

NOTE 11. GRANTS

The City receives financial assistance from numerous federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and a condition specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed disbursements resulting from such audits could become a liability of the City. In the opinion of City management, no material refunds will be required as a result of unallowed disbursements (if any), by the grantor agencies.

NOTE 12. INTERGOVERNMENTAL REVENUES

Intergovernmental revenues for the City and its component units totaled $227.0 million in FY 2024. Sources of these revenues were as follows:

GOVERNMENTAL FUNDS		
Federal Government	$	37,484,553
Commonwealth of Virginia		80,850,880
Total Primary Government		118,335,433
FEDERAL GOVERNMENT		
Schools		36,576,411
Component Units - Federal Government		36,576,411
COMMONWEALTH OF VIRGINIA		
Schools		71,488,228
Library		260,700
Component Units - Commonwealth of Virginia		71,748,928
Total Component Units		108,325,339
TOTAL CITY AND COMPONENT UNITS		
Federal Government		74,060,964
Commonwealth of Virginia		152,599,808
Total Intergovernmental Revenue	$	226,660,772

NOTE 13. DUE FROM OTHER GOVERMENTS

Due from other governments represents accrued revenue on June 30, 2024, consisting of the following:

PRIMARY GOVERNMENT		
State		
General Fund	$	7,683,150
Special Revenue Fund		5,389,250
Capital Projects Fund		64,420
Total State		13,136,820
Federal		
Special Revenue Fund		2,209,020
Total Federal		2,209,020
Total Primary Government		15,345,840
COMPONENT UNITS		
State		
Schools		2,423,837
Library		46,357
Total State		2,470,194
Federal		
Schools		14,506,305
Total Federal		14,506,305
Total Component Units		16,976,499
Total Primary Government & Component Units	$	32,322,339

NOTE 14. JOINT VENTURES

A joint venture is a legal entity or other organization that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain: (1) an ongoing financial interest or (2) an ongoing financial responsibility.

A. Northern Virginia Criminal Justice Academy

The City participates in a joint venture with the Counties of Arlington and Loudoun and the Cities of Fairfax, Falls Church, Manassas, and Manassas Park to provide training for sworn law enforcement and correctional officers to satisfy requirements mandated by the Commonwealth of Virginia. The Industrial Development Authority of Loudoun County, Virginia issued $6.6 million in Northern Virginia Criminal Justice Academy Lease Revenue Bonds, Series 1993, to finance the acquisition, renovation, and equipment of the Academy Training Center. The City and the Counties of Arlington and Loudoun have entered into a lease with the Industrial Development Authority of Loudoun County. The City maintains an equity interest only in the land and building of the Academy (located at 45299 Research Pl in Ashburn, VA), which is reflected in the City's Statement of Net Position. The City does not maintain an equity interest in the Academy's operations. This lease was paid in full in FY 2007. A new debt of $18.7 million was issued in FY 2007. The City does not have an equity interest associated with this debt. In addition, the City pays the Northern Virginia Criminal Justice Academy for operating costs based on the pro-rata share of officers trained. In fiscal year 2024, the City paid $0.8 million for operating costs.

Financial statements for the Academy may be obtained at Northern Virginia Criminal Justice Academy, 45299 Research Place, Ashburn, Virginia 22011-2600.

B. Northern Virginia Juvenile Detention Home

The City participates in a joint venture with Arlington County and the City of Falls Church to operate a regional juvenile detention home. In July 1993, the City agreed to fund 55.3 percent of the construction costs of a new facility. The final construction payments were made in FY 1995. In addition, the City pays part of the Northern Virginia Juvenile Detention Home's operating costs based on the number of beds utilized by Alexandria residents. These payments totaled $1.6 million in fiscal year 2024.

The City does not maintain an equity interest in the detention home. Complete separate financial statements for this operation may be obtained from Northern Virginia Juvenile Detention Home, 200 South Whiting Street, Alexandria, Virginia 22304.

C. Washington Metropolitan Area Transit Authority

As discussed in Note 8, the City participates in a joint venture with other local jurisdictions to share in the cost of a regional transportation system. The City does not maintain an equity interest in WMATA. Complete financial statements of WMATA may be obtained from WMATA, 600 5th Street, N.W., Washington, DC 20001.

D. Virginia Railway Express (VRE)

In July 2014, the City entered an amended agreement with the Northern Virginia Transportation Commission (NVTC), the Potomac and Rappahannock Transportation Commission (PRTC), and several jurisdictions in Northern Virginia to provide commuter rail services. The commuter rail service is known as Virginia Railway Express (VRE). In fiscal year 2024, the City made payments of $0.1 million to VRE.

NOTE 15. RELATED PARTY TRANSACTIONS

Related parties include, but are not limited to, members of the governing board, administrative boards or commissions, administrative officials and their immediate families, component units and joint ventures, and affiliated or related organizations that are not included as part of the financial reporting entity, and transactions with related parties are defined.

A. Alexandria Housing Development Corporation (AHDC)

AHDC is an affordable housing provider.

The Station at Potomac Yard

The City established a related party agreement for The Station at Potomac Yard Apartments project in 2008. This project was developed via a joint venture with a local non-profit housing group, AHDC, and Pulte Homebuilders. None of these related entities are active and plans are to dissolve the limited liability corporation (LLC) that was formed for the project. Due to warranty/liability issues, the LLC was required to be maintained for several years after construction was completed in 2009 and is operational and occupied.

The Bloom

In December 2016, the City Council approved a loan in the amount of $7.1 million for AHDC's Bloom project. In June 2018, the project was awarded LIHTC credits by VHDA. On September 11, 2018, City Council approved additional loan funds in the amount of $1.7 million for the project. The project was completed in November 2020 and is operational and occupied.

Sanse

In February 2022, the City Council approved an initial loan in the amount of $10.5 million for AHDC's Sanse project. In June of 2023, the City Council approved an additional $53.5 million in funds and in June of 2024, an additional $14 million for the project for a total of $78 million in grant and loan funds. The project was awarded LIHTC credits by VHDA in June 2022 and in the summer of 2024. The project is under construction and the first phase of the project is scheduled to be completed in 2026 or 2027.

B. Arlington Housing Corporation, Inc (AHC)

AHC is an affordable housing provider.

East Reed LLC (ERLLC)

In February 2013, the City of Alexandria created a special purpose entity, ERLLC, to enter a public-private partnership arrangement with nonprofit housing developer, AHC, to develop 78 units of affordable housing. The project was completed in 2014 and is operational and occupied. The City assessed the agreement and determined that, the agreement does not meet the requirements of GASB 94: Public-Private Partnership

St. James Plaza

On January 24, 2015, City Council approved a loan in the amount of $5.7 million for the AHC St James Plaza project. In June 2015, the project was awarded LIHTC credits by VHDA. The project was completed in 2018 and is operational and occupied.

NOTE 15. RELATED PARTY TRANSACTIONS (Continued)

Church of Resurrection

On January 20, 2018, the City Council approved a loan in the amount of $9.0 million for the AHC Church of the Resurrection project. In June 2018, the project was awarded LIHTC credits by VHDA. On April 23, 2019, City Council approved an additional $0.9 million. The City has distributed $0.4 million in predevelopment funds previously and closed on the full loan in FY 2019 with all funds now disbursed. The project was completed in 2021 and is operational and occupied.

C. Alexandria Redevelopment and Housing Authority (ARHA)

ARHA is a public agency established under the Housing Authority Law, Chapter 1 Title 36 of the Code of Virginia of 1938. The agency develops a variety of housing projects around the City.

Ramsey Homes

On May 22, 2018, the City Council approved a loan in the amount of $3.6 million for ARHA's Ramsey Homes project. In June 2017, the project was awarded LIHTC credits by VHDA. On October 22, 2019, the City Council approved additional loan funds in the amount of $1.4 million for ARHA's Ramsey Home project. The project was completed in 2021 and is operational and occupied.

D. Wesley Housing Development Corporation (Wesley)

Wesley is an affordable housing provider.

The Waypoint

On November 17, 2018, the City Council approved a loan in the amount of $7.65 million for the Wesley Waypoint project. In June 2019, the project was awarded LIHTC credits by VHDA. The City has distributed $0.4 million in predevelopment funds previously and closed on the full loan in FY 2021 with all funds now disbursed. The project was completed in 2022.

E. Alexandria Economic Development Partnership (AEDP)

699 Prince Street (The Heron)

As proposed, the six-story building at 699 Prince St. was converted into a 134-room hotel, now called the Heron, with 30,000 square feet of restaurant, meeting and retail space.

The project ordinance allows the 699 Prince Street catalyst project to participate in the State's Tourism Development Finance Program. The project must qualify to generate Virginia and City of Alexandria sales and use tax, such as lodging, dining, meeting space rental and catering, and limited, project-specific retail, to invest in the City within a designated Tourism Zone.

For the City, the 699 Prince Street redevelopment is estimated to generate $42.9 million incremental tax revenue over a 20-year period. After deducting the 1% sales and use tax of almost $2.3 million, and $3 million for estimated city services, the net gain for the City is $37.6 million over a 20-year period.

NOTE 15. RELATED PARTY TRANSACTIONS (Continued)

F. Landmark Community Development Authority (CDA)

At its July 6, 2021, meeting, the Alexandria City Council unanimously approved the redevelopment agreements for the site of the former Landmark Mall, which will result in up to approximately four million square feet of new development. The project will be anchored by the relocation and expansion of Inova's new state-of-the-art Alexandria Hospital bringing more than 2,000 health care workers to the medical campus. This transformational

project (led by developer Foulger-Pratt) was named by the Washington Business Journal as the 2020 Real Estate Deal of the Year.

To facilitate the redevelopment of the Landmark site, the transaction includes investment of (a) $54 million in public bond funds to acquire land to lease to Inova for the proposed hospital and related medical facilities, and (b) $86 million in public bond funds for Landmark site preparation and infrastructure costs. By investing public funds (which has been contemplated as far back as 2004), the City would accelerate the revitalization of Alexandria's West End.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

PRIMARY GOVERNMENT

In 1989 City Council voted to establish three classes of post-employment health care benefits to supplement the increasing health care costs for City retirees. The three classes are as follows: (a) Full Time City employees who are eligible to retire under the Virginia Retirement System and City Supplemental Retirement Plan; (b) Fire and Police employees who are eligible to retire under the current defined benefit pension plan; and (c) Fire and police employees who retired and were eligible for normal retirement with 20 years of service under the old defined contribution retirement income plan and the retirees under the old defined benefit pension. In addition, spouses of deceased retirees are also eligible to receive benefits under this provision. The Other Postemployment benefits (OPEB) plan is a single-employer plan.

Full-time employees who retire under a primary City-sponsored retirement plan may continue to participate in a City-sponsored health insurance plan as a retiree. The City also offers a reimbursement program that is based on the actual cost of the retiree's monthly health care premium up to a maximum amount determined by the City Council. Eligibility is contingent upon the retiree providing proof of participation and payment to a health insurance plan. In FY24, 378 retirees participated in the reimbursement program. The maximum monthly amount an eligible retiree or a surviving spouse may receive is $260. The City Council has authority to establish or amend the provisions. In FY24, the City contributed on a "pay-as-you-go" basis at the rate of up to $260 per month for each retiree, for a total annual contribution of $6.5 million. Employees hired after June 30, 2008, have their retirees' health benefits prorated based on the length of service.

In addition to the healthcare benefits, the City pays for basic life insurance to regular full-time employees hired prior to July 1, 2009, at no cost to the employee. At retirement, full-time regular employees hired before July 1, 2009, are eligible for basic life insurance at two times their salary as of the last January 1st rounded up to the nearest $1,000, with applicable reductions after age 65. On January 1, following the 65th birthday, the basic life insurance amount is reduced by 25 percent and then by 10 percent each year until the 70th birthday. The ultimate insurance amount is 25 percent of the salary.

The City follows the guidance in Statements No. 74 and 75 of the Governmental Accounting Standards Board (GASB), Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions.

The City does not issue a stand-alone financial report for the OPEB Trust Fund. The financial statements and required supplementary information are included in the City's Annual Comprehensive Financial Report.

Plan Administration

The City's OPEB Plan, which includes the Line of Duty Act benefits (LODA), is one plan and is overseen by the OPEB Plan Board. The board must be comprised of at least three members including the Chief Financial Officer, the City Finance Director, or City Manager Designee, and at least one other member who is a citizen of the Commonwealth with "proven integrity, business ability, and demonstrated experience in cash management and in investments." The citizen is nominated by the City Manager and approved by City Council. The City OPEB Board adopts a realistic actuarial rate of return for the Plan and recommends the level of contributions needed to keep the Plan financially sound. City Council approves the contribution level.

Method Used to Value Investments

Investments are valued at fair value. The City does not have any OPEB investments, other than U.S. Government and U.S. Government guaranteed obligations, in any one organization that represents five percent or more of the net assets held in trust for OPEB investments.

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Investment Policy

The City OPEB Plan has two components: cash payments for Medical Insurance and Life Insurance. The objective of the Medical Insurance and Life Insurance components is to preserve actuarial soundness to meet contractual benefit obligations. In striving to attain these objectives, the Plan will be managed in a manner consistent with three fiduciary standards. First, all transactions shall be made in the sole interest of the participants and their beneficiaries. Second, that all investments shall be made with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in an expert-like capacity and familiar with such matters would use. Third, that all entities dealing with the plan are required to disclose conflicts of interest as soon as they become apparent. The following was the City's asset allocation as of June 30, 2024.

Asset Class	Target Allocation
Large Cap Growth	10.0%
Large Cap Value	15.0%
Mid Cap Core	10.0%
Private Equity	5.0%
Small Cap Core	5.0%
International Developed Markets	10.0%
Emerging Markets	15.0%
Fixed Income Domestic	10.0%
Tactical Asset Allocation	5.0%
Timber	5.0%
Real Estate	5.0%
Farmland	5.0%
Total	100.0%

Target Allocations

Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 10.54% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

The long-term expected rate of return on OPEB plan investments was determined using the last twenty years of return for the index, as of the fiscal year end, for each asset class in which funds were invested, taking the arithmetic mean and adjusting it for inflation of 2.60 percent. The long term expected rates of return for each major asset class as of June 30, 2024, are summarized in the following table.

Asset Class	Long Term Expected Rate of Return
Diversified Assets	0.3%
Equity	5.1%
Real Assets	0.5%
Fixed Income	0.5%
Return	6.3%
Inflation	2.6%
Return w/ Inflation	8.9%
Risk Adjustment	(1.5%)
Total Expected Arithmetic Nominal Return	7.4%

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Discount Rate

The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Projections of the Plan's fiduciary net position have indicated that it is expected to be sufficient to make projected benefit payments for current Plan members. The actuarial liability, normal cost, and expected benefit payments were projected for the remaining lifetimes of the closed group population as of December 31, 2023. An expected contribution rate is calculated each year based on the current funding policy. The long-term expected rate of return used for funding purposes in the December 31, 2023 actuarial reports was 6.75 percent.

Membership

At January 1, 2024, membership consisted of:	
Retirees and Beneficiaries Currently Receiving Benefits	1,572
Terminated Employees Entitled to Benefits But not yet receiving them	---
Active Employees	2,464
TOTAL	4,036

Contributions

The City established a Single Employer Other Post-Employment Benefit Trust Plan (OPEB) and funds the obligation through this Trust Fund using a phased in approach. There are no legal or contractual requirements for contributing to the OPEB Trust Fund. Line of Duty Act (LODA) is part of the OPEB Trust Fund. OPEB Trust Fund contributions are comprised of contributions to the Trust Fund and Pay-Go Contributions.

	Regular	LODA	Total
Trust Fund Contributions	$ 300,000	$ 1,400,000	$ 1,700,000
Pay Go Contributions	5,704,958	1,686,165	7,391,123
	$ 6,004,958	$ 3,086,165	$ 9,091,123

Annual OPEB Costs and Net OPEB Liability

The City is responsible for funding benefits required under the Virginia Line of Duty Act (LODA). LODA retirees must elect a plan administered through the Virginia Department of Human Resources (DHRM). The City pays DHRM the premiums for covered retirees, spouses, and widows. The OPEB Trust Fund is comprised of regular OPEB benefits and LODA benefits. Separate actuarial reports are generated for each plan.

The City's GASB requirements fall under GASB 74 and 75 and the entire OPEB liability has been recorded on the balance sheet. Under the current method of actuarial funding, the City contributes the entire Actuarially Determined Contribution (ADC). The ADC decreased from $5.6 million as of June 30, 2023 to $4.4 million as of June 30, 2024.

The Statement of Fiduciary Net Position for the City's OPEB plan is included as Exhibit VIII and in note 17.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial valuations of the plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. The actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations. The actuarial assumptions for the Fire and Police Members are the assumptions that were adopted by the City of Alexandria Firefighters and Police Officers Pension Board based upon the results of an actuarial experience study covering the period July 1, 2017 through June 30, 2023. The actuarial assumptions for the City Members are similar to the assumptions that were adopted by the City of Alexandria Supplemental Retirement Board based upon the results of an actuarial experience study covering the period July 1, 2015 through June 30, 2023.

In the actuarial valuations, the same mortality rates are used for both OPEB and LODA. Mortality rates for Fire and Police were based on the Pub-2010 Safety Healthy Headcount-Weighted Mortality Table projected fully generationally with scale MP-2021 published by the Society of Actuaries. The mortality rates for City employees were based on the Pub-2010 Total General Employee (Headcount Weighted) mortality tables projected generationally from base year 2010 with Scale MP-2021 published by the Society of Actuaries. Disability mortality rates for Fire and Police were based on Pub-2010 Safety Disabled Retirees Headcount-Weighted Mortality Table projected fully generationally with scale MP-2021 published by the Society of Actuaries. The disability mortality rates for City Employees were based on Pub-2010 Total General Disabled Retiree (Headcount Weighted) mortality tables projected generationally from base year 2010 with Scale MP-2021 published by the Society of Actuaries.

For the December 31, 2023 actuarial valuations, the following assumptions apply to both OPEB and LODA valuation reports. The investment rate used was 6.75 percent. The entry-age actuarial cost method was used. For OPEB pre-Medicare trend rates, 3.80 percent was assumed for Kaiser in 2023 and 11.00 percent for UHC in 2023. Rates were then assumed to be 7.00 percent in 2024 grading down to 4.19 percent over 19 years. For Medicare premiums, 5.40 percent was assumed for calendar year 2024 grading down to 4.19 percent over 20 years. For LODA non-Medicare an annual medical cost trend rate of 3.00 percent for 2025 grading to 4.25 percent over 9 years was used, and a rate of 11.523 percent for 2025 grading down to 4.25 percent over 3 years for Medicare was used. Salary scale ranges were from 3.25 percent to 6.75 percent for Fire and Police with an extra 0.5% salary increase per year assumed for the three years starting in 2023 and 2.75 percent to 6.25 percent for City employees depending on service with 2.75 percent attributable to inflation. The plan's unfunded actuarial accrued liability is being amortized as a level dollar of projected payroll on a closed basis. The asset valuation method used was market value. The amortization period changed to the 15-year layered approach as the Plan became underfunded (positive unfunded actuarial liability) as of December 31, 2023. The unfunded actuarial liability is amortized over closed 15-year layered periods if positive and a rolling 30-year amortization if negative. The amortization method is a level dollar amortization.

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Total OPEB Liability

The City of Alexandria's net OPEB liability of $9,417,967 was measured as of June 30, 2024, and was determined by an actuarial valuation as of December 31, 2023, projected to June 30, 2024. Measurements as of the reporting date are based on the fair value of assets as of June 30, 2024 and the Total OPEB Liability as of the valuation date, December 31, 2023, updated to June 30, 2024. There were no significant events between the valuation date and the measurement date.

Change in Net OPEB Liability for City of Alexandria

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of 6/30/2023	$ 135,096,869	$ 114,227,510	$ 20,869,359
Changes for the year:			
Service cost	2,758,068	-	2,758,068
Interest	8,965,226	-	8,965,226
Changes in benefit terms	-	-	-
Changes in assumptions	(981,432)	-	(981,432)
Difference between expected and actual experience	3,473	-	3,473
Contributions-employer	-	9,246,123	(9,246,123)
Contributions-member	-	-	-
Net Investment Income	-	12,998,530	(12,998,530)
Benefit payments	(7,391,123)	(7,391,123)	-
Administrative Expense	-	(47,926)	47,926
Net Changes	3,354,212	14,805,604	(11,451,392)
Balances at 6/30/2024	$ 138,451,081	$ 129,033,114	$ 9,417,967

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB expense of ($1,179,305).

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,894	$ 3,882,963
Changes of assumptions	-	6,706,698
Net difference between projected and actual earnings on OPEB plan investments	-	5,578
Total	$ 2,894	$ 10,595,239

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended December 31:		
2025	$	(6,092,477)
2026		958,082
2027		(3,781,873)
2028		(1,513,083)
2029		(162,994)
Thereafter		-
Total Future Deferrals	$	(10,592,345)

The components of the Net OPEB Liability of the City of Alexandria as of June 30, 2024 are as follows:

	Measurement Date 6/30/2024
Total OPEB Liability	$ 138,451,081
Plan Fiduciary Net Position	129,033,114
Net OPEB Liability	$ 9,417,967
Plan Fiduciary Net Position as a percentage of Total OPEB Liability	93.2%

The following presents the Net OPEB Liability of the City of Alexandria, calculated using the current discount rate, as well as what the Fund's Net OPEB Liability would be if it were calculated using a discount rate that is 1.0 percent lower or higher than the current rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Total OPEB Liability	$ 153,411,987	$ 138,451,081	$ 125,924,282
Plan Fiduciary Net Position	129,033,114	129,033,114	129,033,114
Net OPEB Liability 6/30/2024	$ 24,378,873	$ 9,417,967	$ (3,108,832)
Plan Fiduciary Net Position as a percentage of Total OPEB Liability	84.1%	93.2%	102.5%

The following presents the Net OPEB Liability of the City of Alexandria, calculated using the current healthcare trend, as well as what the Fund's Net OPEB Liability would be if it were calculated using a healthcare trend 1.0 percent lower or higher than the current rate.

Sensitivity of Net OPEB Liability to Changes in Healthcare Cost Trend Data	1% Decrease	Healthcare Trend	1% Increase
Total OPEB Liability	$ 132,325,856	$ 138,451,081	$ 145,843,661
Plan Fiduciary Net Position	129,033,114	129,033,114	129,033,114
Net OPEB Liability 6/30/2024	$ 3,292,742	$ 9,417,967	$ 16,810,547
Plan Fiduciary Net Position as a percentage of Total OPEB Liability	97.5%	93.2%	88.5%

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

OPEB Trust

The table below summarizes investments managed by the City of Alexandria in accordance with the fair value hierarchy established by generally accepted accounting principles. Fair value is defined as the quoted market value on the last trading day of the period. The hierarchy is based on the valuation inputs used to measure the fair value of assets.

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active or inputs that are observable market data. Level 2 assets include The City's mutual funds and money market funds. The City's mutual funds and money market funds have both equity and fixed income securities as the underlying. While the pricing of the funds is only observable daily, the underlying inputs are continuously observable. The underlying equities are observable through quoting services, while the underlying fixed income instruments pricing is determined through both observable market quotes and market pricing determined using matrix valuation using similar securities.

OPEB TRUST
As of June 30, 2024

Portfolio	Level 1	Level 2	Level 3
Equity Securities			
Common Stock & ETFs	$ 11,735,263	$ -	$ -
Mutual Funds	-	71,259,680	-
Total Equity Securities	11,735,263	71,259,680	-
Cash Equivalents			
Money Market Funds	-	719,414	-
Total Cash Equivalents	-	719,414	-
Total Investments by Fair Asset Value	$ 11,735,263	$ 71,979,094	$ -
Investments measured at net asset value (NAV)			
Commingled Collective Trusts	$ 26,856,198		
Private Equity	6,405,815		
Real Estate Funds	3,887,200		
Tiimber & Farmland	3,703,912		
Timber Funds	1,816,555		
Farmland	2,649,077		
Total Investments Measured at NAV	45,318,757		
Total Value	**$ 129,033,114**		

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

$45.3 million worth of investments were evaluated at Net Asset Value (NAV). The following table presents the NAV investment disclosures for the OPEB Trust Fund.

	Capital Commitment	Capital Called	Remaining Uncalled Commitment	Current NAV	Withdrawal Frequency
Commingled Collective Trusts	N/A	N/A	N/A	$26,856,198	Monthly to Quarterly
Private Equity	$8,100,000	$7,661,542	$438,458	$6,405,815	Closed End Strategies
Real Estate Funds	$2,900,000	$2,900,000	$0	$3,887,200	Quarterly
Timber/Farmland Funds	$3,450,000	$3,450,000	$0	$3,703,912	
Timber Funds	$1,500,000	$1,406,000	$94,000	$1,816,555	Closed End Strategies
Farmland	$1,700,000	$1,700,000	$0	$2,649,077	Quarterly
	$17,650,000	$17,117,542	$532,458	$45,318,757	

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

COMPONENT UNIT – ALEXANDRIA CITY PUBLIC SCHOOLS (ACPS)

A. ACPS OPEB Trust Fund

Plan Description

The School Board administers a single-employer defined benefits healthcare plan. It provides medical insurance benefits to eligible retired school employees and beneficiaries. In May 2009, the School Board authorized the establishment of a trust for the purpose of accumulating and investing assets to fund Other Post Employment Benefits.

ACPS invests the OPEB Trust Fund's assets with the Virginia Pooled OPEB Trust Fund (Pooled Trust) sponsored by the Virginia Association of Counties and the Virginia Municipal League (VACo/VML). The Pooled Trust is an investment pooling vehicle created to allow participating local governments, school divisions, and authorities in the State to accumulate and invest assets to fund other post- employment benefits. Funds of participating jurisdictions are pooled and invested in the name of the Pooled Trust. ACPS' respective shares in the Pooled Trust are reported in the OPEB Trust Fund's financial statements. The Pooled Trust is governed by a Board of Trustees (Trustees), composed of nine (9) elected members. Trustees are elected by participants in the Pooled Trust, whose votes are weighted according to each Participating Employer's share of total Trust Fund assets. Investment decisions are made by the Trustees of the Pooled Trust. The Trustees are responsible for managing Pooled Trust assets through the appointment and oversight of investment managers and with the guidance of an investment advisor.

Eligibility

Participants in the ACPS Plan must meet the eligibility requirements based on service earned with ACPS and prior service earned from other Virginia agencies to be eligible to receive benefits upon retirement. Participants who do not retire directly from active service are not eligible for the benefits. In addition, participants must meet one of the following criteria:

VRS Tier 1:

- Attained the age of 50 with at least 30 years of service for unreduced pension retirement benefits.
- Attained the age of 50 with at least 10 years of service for reduced pension retirement benefits.
- Attained the age of 65 with at least 5 years of service.

VRS Tier 2:

- Age plus service equals 90 for unreduced pension retirement benefits.
- Age 60 with at least 5 years of service for reduced pension retirement benefits.
- Social Security Normal Retirement Age with at least five years of service.

Benefits

Program participants may continue medical coverage by paying the appropriate subsidized premium which ranges from $0 to $3,305.94 monthly, based on the medical plan under which the retiree is covered. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the program on average than those of active employees. The subsidies in this program are accounted for in the ACPS OPEB Trust Fund. In FY 2024, ACPS contributed up to $265 for each participant.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

For employees hired July 1, 2008 or earlier: ACPS contributes $265 per month for retiree medical coverage. This Board contribution will not exceed the premium for the coverage tier elected. The retirees and dependents pay the remainder of the premium, if any.

For employees hired after July 1, 2008: The retiree must complete five years of vesting service with ACPS to receive a Board contribution. ACPS contributes a pro-rated amount of $265 per month equal to 5% per year of service with ACPS (including the five vesting years) and other VRS employers for retiree medical coverage. A maximum of 15 years of service will be credited toward the contribution made by ACPS. This Board contribution will not exceed the premium for the coverage tier elected. The retiree and dependents pay the remainder of the premium, if any.

Actuarial Assumptions

The key actuarial assumptions used in the January 1, 2024 valuation are reflected in the chart below.

Active plan members	2,484
Inactive/Deferred Vested	0
Retirees and spouses	696
Total	3,180
Covered Payroll	$204,940,761
Long-term Expected Rate of Return	7.0 percent
Salary Increases, including Inflation	3.0 percent
Ultimate Rate of Medical Inflation	4.55 percent
Discount Rate	7.0 percent
Healthcare Cost Trend Rates	Kaiser Non-Medicare: 4.5% in 2024, 7% in 2025 and 2026 then grading to a 4.55% in 2044 using the Getzen Trend model UHC POS Non-Medicare: 4% in 2024, then 8% in 2025 grading down to 4.55% in 2044 using the Getzen Trend model UHC POS over age 65: 8% in 2024 grading down to 4.55% in 2044 using the Getzen Trend model Medicare: 7% in 2024 then grading down to 4.55% in 2044 using the Getzen Trend model
Mortality Rates:	
- Pre-Retirement	Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males, no adjustment for females
- Post-Retirement	Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; 100% of rates set forward 1 year for males; 105% of rates for females
- Post-Disablement	Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females
- Beneficiaries and Survivors	Pub-2010 Amount Weighted Teachers Healthy Contingent Annuitant Rates projected generationally
- Mortality Improvement	Rates projected generationally with Modified MP-202 Improvement Scale that is 75% of the MP-2020 rates. These mortality rates are the same as those used for Teachers in the June 30, 2021 actuarial valuation for the Virginia Retirement System.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Investment Policy

The Pooled Trust Board of Trustees has the responsibility for managing the investment process. In fulfilling this responsibility, the Trustees will establish and maintain investment policies and objectives. Within this framework, the Trustees will monitor and evaluate the investment managers, bank custodian, and other parties, to monitor whether operations conform to the guidelines and actual results meet objectives. If necessary, the Trustees are responsible for making changes to achieve this. The investment objective of the Pooled Trust is to maximize the total long-term rate of return with reasonable risk by seeking capital appreciation and, secondarily, principal protection. The Portfolio will be structured to achieve a compound annualized total expected rate of return over a market cycle, including current income and capital appreciation, of 7.5%. There were no significant changes in investment policy during fiscal year 2024.

The Trustees are responsible for setting each Portfolio's long-term asset allocation, after taking into consideration expectations for asset class returns and volatility, risk tolerance and liquidity needs.

The Pooled Trust's assets will be separately managed by professional investment managers or invested in professionally managed investment vehicles. Each Portfolio will be invested in a broadly diversified manner by asset class, style, and capitalization, which will control volatility levels. The target allocation for each class of investment is shown below.

Target Allocation for OPEB Pooled Investments
As of June 30, 2024

Investment Type	Allocation	Expected Long-Term Rates of Return (real)	Long-Term Arithmetic Weighted Average Real Return
Large Cap Equity (Domestic)	21.00%	7.15%	1.50%
Small Cap Equity (Domestic)	10.00%	8.58%	0.86%
International Equity (Developed)	13.00%	8.03%	1.04%
Emerging Markets Equity	5.00%	9.29%	0.46%
Private Equity	10.00%	10.51%	1.05%
Long/Short Equity	6.00%	5.55%	0.33%
Core Bonds Fixed Income	5.00%	2.56%	0.13%
Core Plus Fixed Income	11.00%	2.87%	0.32%
Liquid Absolute Return Fixed Income	4.00%	3.25%	0.13%
Core Real Estate	10.00%	6.49%	0.65%
Opportunistic Real Estate	5.00%	9.49%	0.47%
Total	100.00%		6.95%
		Inflation	2.75%
		Expected arithmetic nominal return	9.70%

The expected long-term real rates of return in the above table are arithmetic; they are used as inputs for the financial model to arrive at the median returns for the portfolio which are geometric. When calculating the median rates, which are used to set the target rates, the intermediate term rates are used for the first 10 years and the long-term rates for all years thereafter.

Discount Rate

The discount rate as of June 30, 2024, is 7.00%, which is the estimated long-term rate of return on Pooled Trust investments. Projections of the Plan's fiduciary net position have indicated that it is expected to be sufficient to make projected benefit payments for current Plan members.

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Measurement Date

The measurement date used for the OPEB Trust GASB 74 reporting is June 30, 2024.

Concentrations

There are no investments in any one organization that represent 5 percent or more of the OPEB Trust Fund's fiduciary net position.

Money-Weighted Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 9.48%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Schedule of Investment Returns

	Last 10 Fiscal Years[1]							
	2024	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return Net of Investment Expense	9.48%	7.62%	-9.27%	30.07%	3.01%	4.67%	9.52%	13.04%

[1]This chart is intended to show information for 10 years.

Net OPEB Liability

The net OPEB liability at the beginning of the current measurement year is measured as of a valuation date of January 1, 2024, and rolled forward to June 30, 2024. The net OPEB liability at the end of the measurement year, June 30, 2024, is measured as of a valuation date of January 1, 2024, and projected to June 30, 2024. In future years, valuations will be completed every other year, assuming there are no significant events between the years. Each valuation will be rolled forward to provide two years of OPEB liability.

Changes in Net OPEB Liability (Asset)
Increase (Decrease)

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances as of June 30, 2023	$ 33,234,691	$ 28,506,653	$ 4,728,038
Changes for the year:			
Service cost	998,177	-	998,177
Interest	2,226,014	-	2,226,014
Changes of benefits	-	-	-
Differences between expected and actual experience	(4,187,738)	-	(4,187,738)
Changes of assumptions	(396,703)	-	(396,703)
Contributions - employer	-	928,575	(928,575)
Contributions - member	-	-	-
Net investment income	-	2,701,057	(2,701,057)
Benefit payments	(928,575)	(928,575)	-
Administrative expense	-	(26,035)	26,035
Net changes	(2,288,825)	2,675,022	(4,963,847)
Balances as of June 30, 2024	$ 30,945,866	$ 31,181,675	$ (235,809)

Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	100.8%

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Other Post-Retirement Employee Benefits Trust Fund using the discount rate of 7.0%, as well as what the net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate.

	(-1%) Decrease 6.0%	Discount Rate 7.0%	(+1%) Increase 8.0%
Total OPEB Liability	$ 33,517,810	$ 30,945,866	$ 28,664,460
Plan Fiduciary Net Position	31,181,675	31,181,675	31,181,675
Net OPEB Liability (Asset)	$ 2,336,135	$ (235,809)	$ (2,517,215)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	93.0%	100.8%	108.8%

Sensitivity of the Net OPEB Liability to Changes in the Trend Rate

The following presents the net OPEB liability of the Other Post-Retirement Employee Benefits Trust Fund using the current base healthcare trend rate, as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is one percentage point lower (-1%) or one percentage point higher (+1%) than the base rate.

	Trend Minus (-) 1%	Trend Baseline	Trend Plus (+) 1%
Total OPEB Liability	$ 30,085,802	$ 30,945,866	$ 31,905,596
Plan Fiduciary Net Position	31,181,675	31,181,675	31,181,675
Net OPEB Liability (Asset)	$ (1,095,873)	$ (235,809)	$ 723,921
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	103.6%	100.8%	97.7%

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2024, the OPEB expense is ($413,199). At June 30, 2024, the deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 7,659,496
Change in assummptions	96,097	1,015,747
Net difference between projected and actual earnings on OPEB plan investments	219,347	-
Total	$ 315,444	$ 8,675,243

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Amounts reported as deferred outflows and inflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2025	$ (1,834,912)
2026	(834,090)
2027	(1,594,284)
2028	(1,561,158)
2029	(981,146)
Thereafter	(1,554,209)
Total	$ (8,359,799)

Contributions

Contribution requirements of ACPS are established and may be amended by the School Board. The required contributions were actuarially determined and are based upon projected pay-as-you-go financing requirements with additional amount to prefund benefits. The costs of administering the plan are paid for by the OPEB Trust Fund using investment income and employer contributions. For the period ending June 30, 2024, ACPS contributed $1.9 million for current costs.

The funding policy of ACPS is to contribute the difference between the ADC and the expected explicit subsidy payment to the Trust Fund. Benefit payments, including the implicit subsidy, are paid outside of the Trust. ACPS is assumed to pay benefit payments outside of the Trust over the next few years. It is anticipated that once the Plan becomes 100% funded with a small cushion, ACPS will switch to paying benefit payments from the Trust. This switch may happen a few years after the Plan is greater than 100% funded to allow for a buffer in case of asset losses.

The following is a summary of fiduciary net position of the Trust as of June 30, 2024:

Summary of Fiduciary Net Position
ACPS OPEB Trust Fund
As of June 30, 2024

ASSETS	
Mutual Funds	$ 31,181,675
Total assets	31,181,675
NET POSITION	
Held in trust for pension benefits	$ 31,181,675

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

The following is a summary of changes in fiduciary net position of the Trust for the year ended June 30, 2024:

Summary of Changes in Fiduciary Net Position
ACPS OPEB Trust Fund
For the Year Ended June 30, 2024

ADDITIONS	
Contributions	$ 1,875,343
Investment Earnings, net	2,701,056
Total Additions	4,576,399
DEDUCTIONS	
Benefit payments	1,875,343
Administrative expenses	26,034
Total Deductions	1,901,377
Change in net position	2,675,022
NET POSITION, beginning of year	28,506,653
NET POSITION, end of year	$ 31,181,675

The ACPS OPEB Trust does not issue a stand-alone financial report and is not included in the report of another entity. Additional disclosures on changes in schools OPEB liability, related ratios, and employer contributions can be found in the RSI following the notes to the Financial Statements.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

B. VRS Employee Health Insurance Credit Program OPEB – Teachers

Summary of Significant Accounting Policies

The Virginia Retirement System (VRS) Teacher Employee Health Insurance Credit (HIC) Program is a multiple-employer, cost-sharing plan. The Teacher Employee HIC Program was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. The Teacher Employee HIC Program is a defined benefit plan that provides a credit toward the cost of health insurance coverage for retired teachers. For purposes of measuring the net Teacher Employee HIC Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC Program OPEB, and the Teacher Employee HIC Program OPEB expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Teacher Employee HIC Program; and the additions to/deductions from the VRS Teacher Employee HIC Program's net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Teacher Employee Health Insurance Credit Program Plan Description

All full-time, salaried permanent (professional) employees of public-school divisions are automatically covered by the VRS Teacher Employee HIC Program. This plan is administered by the Virginia Retirement System (the System), along with pension and other OPEB plans, for public employer groups in the Commonwealth of Virginia. Members earn one month of service credit toward the benefit for each month they are employed and for which their employer pays contributions to VRS. The HIC is a tax-free reimbursement in an amount set by the General Assembly for each year of service credit against qualified health insurance premiums retirees pay for single coverage, excluding any portion covering the spouse or dependents. The credit cannot exceed the amount of the premiums and ends upon the retiree's death.

The specific information for the Teacher HIC Program OPEB, including eligibility, coverage, and benefits is set out in the table below:

TEACHER EMPLOYEE HEALTH INSURANCE CREDIT PROGRAM (HIC) PLAN PROVISIONS
Eligible Employees The Teacher Employee Retiree Health Insurance Credit Program was established July 1, 1993 for retired Teacher Employees covered under VRS who retire with at least 15 years of service credit. Eligible employees are enrolled automatically upon employment. They include: • Full-time permanent (professional) salaried employees of public school divisions covered under VRS.
Benefit Amounts The Teacher Employee Retiree Health Insurance Credit Program provides the following benefits for eligible employees: • **At Retirement** – For Teacher and other professional school employees who retire, the monthly benefit is $4.00 per year of service per month with no cap on the benefit amount. • **Disability Retirement** – For Teacher and other professional school employees who retire on disability or go on long-term disability under the Virginia Local Disability Program (VLDP), the monthly benefit is either: - $4.00 per month, multiplied by twice the amount of service credit, or - $4.00 per month, multiplied by the amount of service earned had employee been active until age 60, whichever is lower.
Health Insurance Credit Program Notes: • The monthly Health Insurance Credit benefit cannot exceed the individual premium amount. • Employees who retire after being on long-term disability under VLDP must have at least 15 year of service credit to qualify for the health insurance credit as a retiree.

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Contributions

The contribution requirement for active employees is governed by §51.1-1401(E) of the Code of Virginia, as amended, but may be impacted because of funding provided to school divisions by the Virginia General Assembly. Each school division's contractually required employer contribution rate for the year ended June 30, 2024 was 1.21% of covered employee compensation for employees in the VRS Teacher Employee HIC Program. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions from the school division to the VRS Teacher Employee HIC Program were $2.3 million for each of the years ended June 30, 2024, and $2.1 million for the year ended June 30, 2023, respectively.

In June 2023, the Commonwealth made a special contribution of approximately $4.0 million to the VRS Teacher Health Insurance Credit Program. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session, and is classified as a non-employer contribution. ACPS' share of this non-employer contribution was 0.2 million

Teacher Employee HIC Program OPEB Liabilities, Teacher Employee HIC Program OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Teacher Employee HIC Program OPEB

At June 30, 2024, the school division reported a liability of $21.4 million for its proportionate share of the VRS Teacher Employee HIC Program Net OPEB Liability. The Net VRS Teacher Employee HIC Program OPEB Liability was measured as of June 30, 2023, and the total VRS Teacher Employee HIC Program OPEB liability used to calculate the Net VRS Teacher Employee HIC Program OPEB Liability was determined by an actuarial valuation performed as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. The school division's proportion of the Net VRS Teacher Employee HIC Program OPEB Liability was based on the school division's actuarially determined employer contributions to the VRS Teacher Employee HIC Program OPEB plan for the year ended June 30, 2023, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, the school division's proportion of the VRS Teacher Employee HIC Program was 1.76955% as compared to 1.81574% at June 30, 2022.

For the year ended June 30, 2024, the school division recognized VRS Teacher Employee HIC Program OPEB expense of $ 1.5 million. Since there was a change in proportionate share between measurement dates, a portion of the VRS Teacher Employee HIC Program Net OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2024, the school division reported deferred outflows of resources and deferred inflows of resources related to the VRS Teacher Employee HIC Program OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 943,534
Net difference between projected and actual earnings on Teacher HIC OPEB plan investments	10,757	-
Changes in assumptions	499,009	21,601
Changes in proportionate share	114,422	1,052,365
Employer contributions subsequent to the measurement date	2,287,624	-
Total	$ 2,911,812	$ 2,017,500

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

An amount of $2.3 million reported as deferred outflows of resources related to the Teacher Employee HIC OPEB resulting from the school division's contributions after the measurement date will be recognized as a reduction of the Net Teacher Employee HIC OPEB Liability in the Fiscal Year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Teacher Employee HIC OPEB will be recognized in the Teacher Employee HIC OPEB expense in future reporting periods as follows:

Year Ending June 30,	Amount
2025	$ (258,463)
2026	(257,736)
2027	(199,618)
2028	(285,141)
2029	(266,776)
Thereafter	(125,578)
Total	$ (1,393,312)

Actuarial Assumptions

The total Teacher Employee HIC OPEB liability for the VRS Teacher Employee HIC Program was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation – Teacher Employees	3.5% - 5.95%
Investment rate of return	6.75%, net of plan investment expenses, including inflation

Mortality rates – Teachers

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males.

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females.

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females.

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally.

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the four-year period from July 1, 2016 through June 30, 2020, except the change in the discount rate which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Net Teacher Employee HIC OPEB Liability

The net OPEB liability (NOL) for the Teacher Employee HIC Program represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2023, NOL amounts for the VRS Teacher Employee HIC Program is as follows (amounts expressed in thousands):

	Teacher Employee HIC OPEB Plan
Total Teacher Employee HIC OPEB Liability	$ 1,475,471
Plan Fiduciary Net Position	264,054
Teacher Employee net HIC OPEB Liability	$ 1,211,417
Plan Fiduciary Net Position as a Percentage of the Total Teacher Employee HIC OPEB Liability	17.90%

The total Teacher Employee HIC OPEB liability is calculated by the System's actuary, and the plan's fiduciary net position is reported in the System's financial statements. The net Teacher Employee HIC OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

The long-term expected rate of return on VRS System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of VRS System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Asset Class (Strategy)	Target Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi -Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
		Inflation	2.50%
		[1] Expected arithmetic nominal return	8.25%

[1] The above allocation provides a one-year return of 8.25%. However, one-year returns do not consider the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns that ultimately provides a medium return of 7.14% including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at 45 percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total Teacher Employee HIC OPEB was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2023, the rate contributed by each school division for the VRS Teacher Employee HIC Program will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 100% of the actuarially determined contribution rate. From July 1, 2023 on, all agencies are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the Teacher Employee HIC OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total Teacher Employee HIC OPEB liability.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the School Division's Proportionate Share of the Teacher Employee HIC Net OPEB Liability to Changes in the Discount Rate

The following presents the school division's proportionate share of the VRS Teacher Employee HIC Program net HIC OPEB liability using the discount rate of 6.75%, as well as what the school division's proportionate share of the net HIC OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	(-1%) Decrease 5.75%	Discount Rate 6.75%	(+1%) Increase 7.75%
School division's proportionate share of the VRS Teacher Employee HIC OPEB Plan Net HIC OPEB Liability	$ 24,247,230	$ 21,436,637	$ 19,054,903

Teacher Employee HIC OPEB Fiduciary Net Position

Detailed information about the VRS Teacher Employee HIC Program's Fiduciary Net Position is available in the separately issued VRS 2023 Annual Comprehensive Financial Report (annual financial report). A copy of the 2023 VRS annual financial report may be downloaded from the VRS website at https://www.varetire.org/pdf/publications/2023-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the Teacher Employee Health Insurance Credit Program OPEB Plan

At June 30, 2024, ACPS reported payables to the Teacher Employee Health Insurance Credit Program OPEB Plan of $0.2 million. These payables are reflected in the balance sheet of the governmental funds and represent short-term amounts due for legally required contributions outstanding at the end of the year.

C. **VRS Group Life Insurance Program**

Summary of Significant Accounting Policies

The Political Subdivision Health Insurance Credit Program is a multiple-employer, agent defined benefit plan that provides a credit toward the cost of health insurance coverage for retired political subdivision employees of participating employers. The Political Subdivision Health Insurance Credit Program was established pursuant to §51.1-1400 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. For purposes of measuring the net Political Subdivision Health Insurance Credit Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Political Subdivision Health Insurance Credit Program OPEB expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Political Subdivision Health Insurance Credit Program; and the additions to deductions from the VRS Political Subdivision Health Insurance Credit Program's fiduciary net position have been determined on the same basis as then were reported by VRS. For the purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Group Life Insurance Program

Plan Description

All full-time, salaried permanent employees of the state agencies, teachers and employees of participating political subdivisions are automatically covered by the VRS Group Life Insurance Program upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OBEB plans,

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

for public employer groups in the Commonwealth of Virginia. Within the Group Life insurance Program, ACPS employees are divided into two groups; Teachers (includes administrators and teachers) and Locality Employees (includes non-exempt support staff).

In addition to the Basic Group Life Insurance benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the Group Life Insurance Program OPEB.

The specific information for Group Life Insurance Program OPEB, including eligibility, coverage and benefits is set out in the following table:

GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS
Eligible Employees The Group Life Insurance Program was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program, including the following employers that do not participate in VRS for retirement: • City of Richmond • City of Portsmouth • City of Roanoke • City of Norfolk • Roanoke City Schools Board Basic group life insurance coverage is automatic upon employment. Coverage end for employees who leave their position before retirement eligibility or who take a refund of their member contributions and accrued interest.
Benefit Amounts The benefits payable under the Group Life Insurance Program have several components. • **Natural Death Benefit –** The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. • **Accidental Death Benefit –** The accidental death benefit is double the natural death benefit. • **Other Benefit Provisions –** In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include: o Accidental dismemberment benefit o Safety belt benefit o Repatriation benefit o Felonious assault benefit o Accelerated death benefit option
Reduction in benefit Amounts The benefit amounts provided to members covered under the Group Life Insurance Program are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value.
Minimum Benefit Amount and Cost-of-Living Adjustment (COLA) For covered members with at least 30 years of creditable service, there is a minimum benefit payable under the Group Life Insurance Program. The minimum benefit was set at $8,000 by statute in 2015. This amount is increased annually based on the VRS Plan 2 cost-of-living adjustment calculation. The minimum benefit adjusted for the COLA was $9,254 as of June 30, 2024.

Contributions

The contribution requirements for the Group Life Insurance Program are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted because of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the Group Life Insurance Program was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% X 60%) and the employer component was 0.54% (1.34% X 40%). Employers may elect to pay all or part of the employee contribution, however, the employer must pay all the employer

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2024 was 0.54% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Total contributions to the Group Life Insurance Program from the entity for the Teachers group were $2.6 million for year ended June 30, 2024 and $2.4 million for year ended June 30, 2023, respectively. Total contributions for the Locality group were $0.1 million for both years ended June 30, 2024, and June 30, 2023, respectively.

In June 2023, the Commonwealth made a special contribution of approximately $10.1 million to the Group Life Insurance plan. This special payment was authorized Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session, and is classified as a special employer contribution. ACPS' share for the Teachers group was $0.1 million and ACPS' share for the Locality group was $3,697.

GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Program OPEB

At June 30, 2024, ACPS reported liabilities of $9.0 million and $0.4 million for its proportionate share of the Net GLI OPEB Liability, for the Teachers and Locality groups, respectively. The Net GLI OPEB Liability was measured as of June 30, 2023 and the total GLI OPEB liability used to calculate the Net GLI OPEB Liability was determined by an actuarial valuation performed as of June 30, 2022 and rolled forward to June 30, 2023. The covered employer's proportion of the Net GLI OPEB Liability was based on the covered employer's actuarially determined employer contributions to the Group Life Insurance Program for the year ended June 30, 2023 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, for the Teachers group, the ACPS employer's proportion was 0.75099% as compared 0.78074% at June 30, 2022, and for the Locality group, the employer's proportion was 0.03644% at June 30, 2022 as compared 0.03790% at June 30, 2023.

For the year ended June 30, 2024, ACPS recognized GLI OPEB expense of $0.3 million for the Teachers group and ($1,616) for the Locality group. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2024, ACPS reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	Teachers Group		Locality Group		Total GLI OPEB Program	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 899,551	$ 273,400	$ 43,649	$ 13,266	$ 943,200	$ 286,666
Net difference between projected and actual earnings on GLI OPEB program investments	-	361,941	-	17,562	-	379,503
Changes in assumptions	192,523	624,021	9,342	30,279	201,865	654,300
Changes in proportion	50,600	545,410	8,589	43,893	59,189	589,303
Employer contributions subsequent to the measurement date	1,025,499	-	48,371	-	1,073,870	-
Total	$ 2,168,173	$ 1,804,772	$ 109,951	$ 105,000	$ 2,278,124	$ 1,909,772

An amount of $1.1 million reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net GLI OPEB Liability in the Fiscal Year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

	Teachers Group		Locality Group		Total GLI OPEB Program	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 899,551	$ 273,400	$ 43,649	$ 13,266	$ 943,200	$ 286,666
Net difference between projected and actual earnings on GLI OPEB program investments	-	361,941	-	17,562	-	379,503
Changes in assumptions	192,523	624,021	9,342	30,279	201,865	654,300
Changes in proportion	50,600	546,410	8,589	43,893	59,189	589,303
Employer contributions subsequent to the measurement date	1,025,499	-	48,373	-	1,073,872	-
Total	$ 2,168,173	$ 1,804,772	$ 109,953	$ 105,000	$ 2,278,126	$ 1,909,772

Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation – Teacher Employees General state/locality employees	 3.5% - 5.95% 3.5% - 5.35%
Investment rate of return	6.75%, net of plan investment expenses, including inflation

Mortality rates – Teachers

Pre-Retirement:

Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males.

Post-Retirement:

Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females.

Post-Disablement:

Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females.

Beneficiaries and Survivors:

Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally.

Mortality Improvement Scale:

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the four-year period from July 1, 2016 through June 30, 2020, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study are as follows:

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Mortality Rates (Pre-retirement, postretirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Mortality rates – Non-Largest Ten Locality Employers – General Employees

Pre-Retirement:
Pub-2010 Amount Weighted Safety Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years.

Post-Retirement:
Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year.

Post-Disablement:
Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years.

Beneficiaries and Survivors:
Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally.

Mortality Improvement Scale:
Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions because of the experience study are as follows:

Mortality Rates (Pre-retirement, postretirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Net GLI OPEB Liability

The net OPEB liability (NOL) for the Group Life Insurance Program represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2023, NOL amounts for the Group Life Insurance Program is as follows (amounts expressed in thousands):

	VRS Group Life Insurance OPEB Program
Total GLI OPEB Liability	$3,907,052
Plan Fiduciary Net Position	2,707,739
Employers' Net GLI OPEB Liability (Asset)	$1,199,313
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	69.30%

The total GLI OPEB liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

Long-Term Expected Rate of Return

The long-term expected rate of return on the System's investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System's investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PI-Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
		Inflation	2.50%
		[1] Expected arithmetic nominal return	8.25%

[1] The above allocation provides a one-year return of 8.25%. However, one-year returns do not consider the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS board elected a long-term rate of return of 6.75%, which was roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Discount Rate

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance, and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2023, the rate contributed by the entity for the GLI OPEB will be subject to the portion of the VRS Board certified rates that are funded y the Virginia General Assembly which was 100% of the actuarially determined contribution rate. From July 1, 2023 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

Sensitivity of the Employer's Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate

The following presents the employer's proportionate share of the net GLI OPEB liability using the discount rate of 6.75%, as well as what the employer's proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	(-1%) Decrease 5.75%	Discount Rate 6.75%	(+1%) Increase 7.75%
School division's proportionate share of the VRS Group Life Net OPEB Liability - Teachers Group	$ 13,350,779	$ 9,006,724	$ 5,494,527
School division's proportionate share of the VRS Group Life Net OPEB Liability - Locality Employee Group	$ 647,815	$ 437,030	$ 266,609
Total VRS Group Life Net OPEB Liability	$ 13,998,594	$ 9,443,754	$ 5,761,136

Group Life Insurance Program Fiduciary Net Position

Detailed information about the Group Life Insurance Program's Fiduciary Net Position is available in the separately issued VRS 2022 Annual Comprehensive Financial Report (annual financial report). A copy of the 2023 VRS annual financial report may be downloaded from the VRS website at https://www.varetire.org/pdf/publications/2023-annual-report.pdf, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

Payables to the VRS Group Life Insurance OPEB Plan

At June 30, 2024, ACPS reported payables to the VRS Group Life Insurance OPEB Plan of $0.2 million for the Teachers group and $11,000 for the Locality group. These payables are reflected in the balance sheet of the governmental funds and represent short-term amounts due for legally required contributions outstanding at the end of the year.

On the following page is a summary of deferred outflows and inflows of resources and net OPEB liabilities for the various OPEB programs as of June 30, 2024.

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Combining Schedule of VRS HIC OPEB Plans Net OPEB Liabilities, Deferred Outflows and Inflows of Resources and Pension Expense
As of June 30, 2024

	VRS HIC OPEB Program											
	Teachers Group				Political Subdivision Group				Total VRS HIC OPEB Program			
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense
Net OPEB Liability	$ -	$ -	$ 21,436,637	$ -	$ -	$ -	$ 417,577	$ -	$ -	$ -	$ 21,854,214	$ -
Differences between expected and actual experience	-	943,534	-	-	-	163,089	-	-	-	1,106,623	-	-
Net difference between projected and actual earnings on HIC OPEB program investments	10,757	-	-	-	1,872	-	-	-	12,629	-	-	-
Changes in assumptions	489,009	21,601	-	-	32,537	-	-	-	531,546	21,601	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	114,422	1,052,365	-	-	-	-	-	-	114,422	1,052,365	-	-
Employer contributions subsequent to the measurement date	2,287,624	-	-	-	59,601	-	-	-	2,347,225	-	-	-
OPEB Expense	-	-	-	1,506,709	-	-	-	9,079	-	-	-	1,515,788
Totals	$ 2,911,812	$ 2,017,500	$ 21,436,637	$ 1,506,709	$ 94,010	$ 163,089	$ 417,577	$ 9,079	$ 3,005,822	$ 2,180,589	$ 21,854,214	$ 1,515,788

Combining Schedule of VRS GLI OPEB Plans Net OPEB Liabilities, Deferred Outflows and Inflows of Resources and Pension Expense
As of June 30, 2024

	VRS GLI OPEB Program											
	Teachers Group				Political Subdivision Group				Total VRS GLI OPEB Program			
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense
Net OPEB Liability	$ -	$ -	$ 9,006,724	$ -	$ -	$ -	$ 437,030	$ -	$ -	$ -	$ 9,443,754	$ -
Differences between expected and actual experience	899,551	273,400	-	-	43,649	13,266	-	-	943,200	286,666	-	-
Net difference between projected and actual earnings on GLI OPEB program investments	-	361,941	-	-	-	17,562	-	-	-	379,503	-	-
Changes in assumptions	192,523	624,021	-	-	9,342	30,279	-	-	201,865	654,300	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	50,600	545,410	-	-	8,589	43,893	-	-	59,189	589,303	-	-
Employer contributions subsequent to the measurement date	1,025,499	-	-	-	48,373	-	-	-	1,073,872	-	-	-
OPEB Expense	-	-	-	286,929	-	-	-	1,616	-	-	-	288,545
Totals	$ 2,168,173	$ 1,804,772	$ 9,006,724	$ 286,929	$ 109,953	$ 105,000	$ 437,030	$ 1,616	$ 2,278,126	$ 1,909,772	$ 9,443,754	$ 288,545

Exhibit XII
(Continued)

NOTE 16. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Summary of OPEB Related Net OPEB Liabilities, Deferred Outflows and Inflows of Resources and Pension Expense
As of June 30, 2024

	ACPS OPEB Trust				VRS HIC OPEB Program				GLI OPEB Program				Total OPEB Programs			
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability (Asset)	OPEB Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net OPEB Liability	OPEB Expense
Net OPEB Liability (Asset)	$ -	$ -	$ (235,809)	$ -	$ -	$ -	$ 21,854,214	$ -	$ -	$ -	$ 9,443,754	$ -	$ -	$ -	$ 31,062,159	$ -
Differences between expected and actual experience	-	7,659,496	-	-	-	1,106,623	-	-	943,200	286,666	-	-	943,200	9,052,785	-	-
Net difference between projected and actual earnings on OPEB plan investments	219,347	-	-	-	12,629	-	-	-	-	379,503	-	-	231,976	379,503	-	-
Changes in assumptions	96,097	1,015,747	-	-	531,546	21,601	-	-	201,865	654,300	-	-	829,508	1,691,648	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	-	114,422	1,052,365	-	-	59,189	589,303	-	-	173,611	1,641,668	-	-
Employer contributions subsequent to the measurement date	-	-	-	-	2,347,225	-	-	-	1,073,872	-	-	-	3,421,097	-	-	-
OPEB Expense				(413,199)	-	-	-	1,515,788	-	-	-	288,545	-	-	-	1,391,134
Totals	$ 315,444	$ 8,675,243	$ (235,809)	$ (413,199)	$ 3,005,822	$ 2,180,589	$ 21,854,214	$ 1,515,788	$ 2,278,126	$ 1,909,772	$ 9,443,754	$ 288,545	$ 5,599,392	$ 12,765,604	$ 31,062,159	$ 1,391,134

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS

PRIMARY GOVERNMENT

During FY 2024, the City participated in six public employee retirement systems (PERS). One system is handled by the Virginia Retirement System (VRS), an agent multi-employer public retirement system that acts as a common investment and administrative agent for political subdivisions in the Commonwealth of Virginia, and is, therefore, not reflected as a City pension trust fund. Four are single-employer defined benefit systems where a stated methodology for determining benefits is provided. The four systems are the City Supplemental, Pension Plan for Fire and Police, Firefighters and Police Officers Pension Plan-defined benefit component, and Firefighters and Police Officers Pension Plan-disability component. The last system is a defined contribution plan (Firefighters and Police Officers Pension Plan-defined contribution component), where contribution requirements are not actuarially determined. All these systems are included as part of the City's reporting entity and as such are reflected as Pension Trust Funds.

Plan Administration

The City Supplemental Plan is overseen by the Supplemental Retirement Board. The board consists of eight members. Four of the members are nominated by the City Manager, while the other remaining four are nominated by the board. There are four alternates nominated by the board and one alternate nominated by the City Manager. The Firefighters and Police Officers Pension Board manages the Firefighters and Police Officers Defined Contribution Plan, Defined Benefit Plan, Disability Plan, as well as the Pension for Fire and Police Plan. The board consists of eight members. Four members are nominated by the City Manager and four members are nominated by the Voting Participants. In addition, there are two alternate members nominated by the Voting Participants and one alternate nominated by the City Manager. City Council approves the nominations to all boards.

Method Used to Value Investments

Investments are valued at fair value.

Investment Policy

The Firefighters and Police Officers Pension Board investment policy objectives for Defined Benefit and Disability components and the Supplemental Retirement Board investment policy objectives for the Supplemental Retirement Plan are to preserve the actuarial soundness of each plan in order to meet contractual benefit obligations and to maximize investment return given an acceptable level of risk. The objective of the Defined Contribution component is to help beneficiaries save for retirement by enabling them to construct portfolios that will achieve an acceptable level of return while minimizing risk through diversification. The assets for the Pension Plan for the Firefighters and Police Officers are part of a group annuity contract with Empower. Empower invests the money according to their guidelines. The following is the asset allocation policy as of June 30, 2024.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Target Allocations

Target Allocations for Firefighters & Police Officers Pension Plan also apply to Firefighters and Police Officers Disability Pension Plan.

Asset Class	Supplemental Retirement Plan	Firefighters & Police Officers Pension Plan	Pension Plan for Firefighters & Police Officers
Large Cap Growth	7.0%	10.0%	0.0%
Large Cap Value	8.0%	5.0%	0.0%
Mid Cap Core	10.0%	10.0%	0.0%
Private Equity	10.0%	5.0%	0.0%
Small Cap Core	5.0%	10.0%	0.0%
Foreign Small Cap	5.0%	5.0%	0.0%
International Dev.	10.0%	5.0%	0.0%
Emerging Markets	5.0%	10.0%	0.0%
Domestic Fixed Income	10.0%	10.0%	0.0%
Global Fixed Income	10.0%	10.0%	0.0%
Tactical Asset Allocation	0.0%	0.0%	0.0%
Timber	5.0%	5.0%	0.0%
Real Estate	10.0%	10.0%	0.0%
Farmland	5.0%	5.0%	0.0%
Cash/ Other Fixed	0.0%	0.0%	0.0%
Guaranteed Deposit	0.0%	0.0%	100.0%
Total	100.0%	100.0%	100.0%

Target Allocations for Firefighters' & Police Officers' Pension Plan also apply to Firefighters' and Police Officers' Disability Pension Plan.

Money-Weighted Rate of Return

Supplemental Retirement Plan	Firefighters & Police Officers Pension Plan	Pension Plan for Firefighters & Police Officers
7.7%	6.8%	3.5%

**Money-weighted Rate of Return for Firefighters & Police Officers Pension Plan also applies to Firefighters and Police Officers Disability Pension Plan.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Virginia Retirement System Long-Term Expected Rate of Return

Asset Class	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	34.00%	7.00%	2.38%
Fixed Income	15.00%	4.90%	0.74%
Credit Strategies	14.00%	7.90%	1.11%
Real Assets	14.00%	6.50%	0.91%
Private Equity	16.00%	9.00%	1.44%
PIP-Private Investment Partnership	2.00%	7.80%	0.16%
Dstrat-Dynamic Strategy	2.0%	6.70%	0.13%
RBI-Risk-Based Investments	2.0%	6.20%	0.12%
Cash	1.0%	3.70%	0.04%
Total	100.00%		7.03%
Inflation			2.50%
Expected arithmetic nominal return			9.53%

VRS Long- Term Expected Rate of Return

The long-term expected rate of return on pension system investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension system investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the above table.

VRS Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes, and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Based on those assumptions, the pension plans fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Combining Schedule of Fiduciary Net Position

	Employee Retirement Plans					Post Retirement Benefit Trust	
			Firefighters and Police Officers Pension Plan				
	City Supplemental Retirement	Pension for Fire and Police	Defined Contribution Component	Defined Benefit Component	Disability Component	Other Post Employment Benefits	Total
ASSETS							
Investments, at Fair Value							
Mutual Funds	$ 43,818,928	$ -	$ 13,246,825	$ 80,800,535	$ 7,551,937	$ 71,259,680	$ 216,677,905
Stocks	30,453,626	-	-	66,093,409	24,873,743	11,735,263	133,156,041
Guaranteed Investment Accounts	3,421,490	16,913,080	-	3,725,318	4,000	697,300	24,761,188
Real Estate	11,876,985	-	-	35,532,383	-	3,887,200	51,296,568
Timber	7,840,969	-	-	13,131,270	-	5,520,467	26,492,706
Private Equity	12,376,991	-	-	33,155,007	-	6,405,815	51,937,813
Other	84,098,990	-	-	190,431,895	502,797	29,527,389	304,561,071
Total Investments	$ 193,887,979	$ 16,913,080	$ 13,246,825	$ 422,869,817	$ 32,932,477	$ 129,033,114	$ 808,883,292
Total Assets	$ 193,887,979	$ 16,913,080	$ 13,246,825	$ 422,869,817	$ 32,932,477	$ 129,033,114	$ 808,883,292

Exhibit XII (Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Combining Schedule of Changes in Fiduciary Net Position

	Employee Retirement Plans					Post Retirement Benefit Trust	
		Firefighters and Police Officers Pension Plan					
	City Supplemental Retirement	Pension for Fire and Police	Defined Contribution Component	Defined Benefit Component	Disability Component	Other Post Employment Benefits	Total
ADDITIONS							
Contributions:							
Employer	$ 7,070,292	$ 850,000	$ -	$ 18,807,613	$ 788,877	$ 1,855,000	$ 29,371,782
Plan Members	2,391,959	-	-	4,063,085	214,530	-	6,669,574
Total Contributions	$ 9,462,251	$ 850,000	$ -	$ 22,870,698	$ 1,003,407	$ 1,855,000	$ 36,041,356
Investment Income:							
Net Appreciation (Depreciation) in Fair Value of Investments	$ 11,576,167	$ -	$ 1,664,959	$ 21,826,550	$ 3,067,415	$ 10,109,219	$ 48,244,310
Interest	4,077,247	629,050	1,788	5,504,403	(99,590)	3,026,097	13,138,995
Investment Expense	(366,615)	-	-	(791,780)	(76,506)	(136,786)	(1,371,687)
Net Investment Income	$ 15,286,799	$ 629,050	$ 1,666,747	$ 26,539,173	$ 2,891,319	$ 12,998,530	$ 60,011,618
Total Additions	$ 24,749,050	$ 1,479,050	$ 1,666,747	$ 49,409,871	$ 3,894,726	$ 14,853,530	$ 96,052,974
DEDUCTIONS							
Benefits	$ 10,445,237	$ 2,197,975	$ 2,389,428	$ 23,374,078	$ 3,120,070	$ -	$ 41,526,788
Refunds of Contributions	678,769	-	-	452,989	-	-	1,131,758
Administrative Expenses	1,276,781	28,116	5,344	456,149	34,568	47,926	1,848,884
Total Deductions	$ 12,400,787	$ 2,226,091	$ 2,394,772	$ 24,283,216	$ 3,154,638	$ 47,926	$ 44,507,430
Net Increase (Decrease)	$ 12,348,263	$ (747,041)	$ (728,025)	$ 25,126,655	$ 740,088	$ 14,805,604	$ 51,545,544
Assets Transfer in (Out)	-	-	-	-	-	-	-
Net Position at Beginning of Year	181,538,479	17,660,121	13,974,850	397,739,687	32,192,388	114,227,510	757,333,035
Net Position at End of Year	$ 193,887,979	$ 16,913,080	$ 13,246,825	$ 422,869,817	$ 32,932,477	$ 129,033,114	$ 808,883,292

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

The actuarial valuations for all defined benefit plans are performed annually except for Virginia Retirement System (VRS), which is performed biennially; however, an actuarial update is performed in the interim year for informational purposes. The employer contribution rate based on the June 30, 2023 actuarial valuation is 10.54 percent of payroll. Contribution rates for VRS employers are established every two years, so this rate applies to fiscal years ending 2025 and 2026.

Beginning January 1, 2014, employees newly covered under VRS were enrolled in the new VRS Hybrid Retirement Plan (Hybrid Plan). The Hybrid Plan combines the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members of VRS could opt into the new Hybrid Plan. The employees under the new plan have a mandatory contribution to the Defined Contribution Plan of 1.00 percent which is matched by the City. A voluntary employee contribution of up to an additional 4.00 percent is allowed with the City matching up to 1.00 percent on the first 1.00 percent of voluntary contributions plus 0.25 percent for each additional 0.50 percent. The employer contribution includes the contribution to the Defined Contribution Plan for Hybrid members.

As of June 30, 2024, the City of Alexandria had 1,040 employees enrolled in the Hybrid Defined Contribution Plan. The FY 2024 City contribution was $2.4 million.

Financial statements and required supplementary information are presented in the VRS annual comprehensive financial report, which can be obtained at www.varetire.org.

Historically the City has assumed the responsibility of paying 2.00 percent of the employee share of contributions for the City Supplemental Retirement Plan. General schedule employees commencing participation in this Plan after July 1, 2009, will make the 2.00 percent employee contribution. The City will continue to make the 2.00 percent contribution for general schedule employees who were participants prior to July 1, 2009. Historically the City has also made the 2.00 percent contribution for its deputy sheriffs, medics, and fire marshals. Beginning on January 1, 2020, deputy sheriffs began making a 1.50 percent employee contribution. The City will continue to make the 2.00 percent contribution for medics and fire marshals. Any employee contributions paid by the City will be characterized as employer contributions. The City paid an employer contribution of 4.99 percent for General Schedule employees, 6.61 percent for Deputy Sheriff's and 7.92 percent for Medics and Fire Marshals during FY 2024.

The City paid an employer contribution of 34.96 percent for Firefighters and Police Officers Pension Plan and 1.01 percent for the Firefighters and Police Officers Disability Component during FY 2024. During the year ended June 30, 2023, the Basic Plan's assets returned 5.32 percent and the Disability Plan's assets had a return of 3.24 percent on a market value basis. As of the July 1, 2023 Actuarial Valuation, the Basic Plan's unfunded actuarial accrued liability was $63.1 million, and the Disability Plan's unfunded actuarial accrued liability was negative $1.4 million.

The actuarial assumptions for the Firefighters and Police Officers Basic and Disability Plans were updated to reflect the actuarial experience study for the period July 1, 2017 through June 30, 2023. As a result of the experience study the following assumptions were changed: mortality, disability rates, termination rates, retirement rates, salary increase, and administrative expenses. The actuarial assumptions for the Pension Plan for Firefighters and Police Officers were also updated to reflect the results of the experience study which resulted in a change to the mortality table. The actuarial assumptions reflect the actuary's understanding of the likely future experience of the Plan. The actuarial assumptions for the Supplemental Retirement Plan were updated to reflect the actuarial experience study for the period July 1, 2015 through June 30, 2023. As a result of the experience study the following assumptions were changed: mortality, disability rates, termination rates, retirement rates, salary increase, and form of payment.

On June 30, 2024, the City recognized a net pension liability of $99.1 million for three of the City's Single Employer Pension Plans. The City recognized a net pension asset of $5.0 million for the other City Single Employee Pension Plan. Measurements as of June 30, 2024 were based on the fair value of assets as of June 30, 2024 and the Total Pension Liability as of the valuation date, June 30, 2023, updated to June 30, 2024. The City recognized a net pension liability of $96.6 million for the VRS multi-employer plan. The VRS net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022.

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

For each of the City's four Plans, the funding policy is to contribute at least the Actuarially Determined Contribution annually. This contribution is equal to the amortization of the unfunded liability plus normal costs. The amortization of the unfunded liability is calculated as a level-dollar closed period for the Pension Plan for Firefighters and Police Officers. The amortization of the unfunded liability for the Supplemental Plan is calculated as an initial level-dollar closed period. Effective July 1, 2015, the Supplemental Plan began incorporating layers where future gains and losses and assumption changes are amortized over separate 10-year periods. The Firefighters and Police Officers Basic Plan and Disability Plan are calculated as a level percentage. A payment of 16.75 percent of payroll is made towards the remaining unamortized unfunded actuarial liability from July 1, 2010. Effective July 1, 2015, the Firefighters and Police Basic and Disability Plans began incorporating layers where future gains and losses and assumption changes are amortized over separate 15-year periods.

The remaining amortization periods as well as other major provisions of all the defined pension plans are listed in the disclosure in the following tables.

Exhibit XII (Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

PLAN DESCRIPTION

	(1) VRS City	(2) City Supplemental Retirement	(3) Pension for Fire and Police	(4) Retirement Income for Fire and Police	(5) Firefighters and Police Pension	(6) Fire and Police Disability
Administrator	State of Virginia	Empower	Empower	MissionSquare	Empower	Empower
Employees Covered	General body	General body Sheriff/ERT	Public Safety	Public Safety	Public Safety	Public Safety
Authority for Plan Provisions and Contributions	State Statute	City Ordinance	City Ordinance	City Ordinance	City Ordinance	City Ordinance
Plan Type	Agent Multi-Employer	Single-Employer	Single-Employer	Single-Employer	Single-Employer	Single-Employer
DB/DC	Defined Benefit Hybrid	Defined Benefit	Defined Benefit	Defined Contribution	Defined Benefit	Defined Benefit
Stand Alone Financial Report	Yes	No	No	No	No	No
Actuarial Valuation Date	6/30/2023	7/1/2023	7/1/2023	N/A	7/1/2023	7/1/2023
Measurement Date	6/30/2023	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024
MEMBERSHIP AND PLAN PROVISIONS						
Active Participants	1831	1973	0	26	579	579
Retirees & Beneficiaries	1432	641	65	0	373	94
Terminated Vested & Non-vested	1441	834	0	31	84	N/A
Normal Retirement Benefits						
Age	65* 50 (30Yrs)	65 50 (30Yrs)/ 50(25 Yrs)	60 50 (20Yrs)	60	55 Any Age (25Yrs)	55
Benefits Vested**	5	5	10	5	5	5
Disability & Death Benefits	Disability Death	Disability Death	Disability Death	N/A Death	Disability Death	Disability N/A

* Tier 1 members. Tier 2 and Hybrid members' normal retirement benefit age is their Social Security Retirement age or rule of 90 when age plus service equals 90. Deputy Sheriffs VRS normal retirement age is 60 or age 50 with 25 years of service.

** VRS Hybrid Plan members are 100% vested in the Defined Contributions Plan after four years.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

The following schedules present a description of the plan provisions and membership information, actuarial assumptions, accounting and funding policies, and contribution requirements.

MEMBERSHIP AND PLAN PROVISIONS

As of:	6/30/2023	7/01/2023	7/01/2023	N/A	7/01/2023	7/01/2023
	(1)	(2)	(3)	(4)	(5)	(6)
	VRS City	City Supplemental Retirement	Pension For Fire and Police	Retirement Income for Fire and Police	Firefighters and Police Pension	Fire and Police Disability
SIGNIFICANT ACTUARIAL ASSUMPTIONS						
Investment Earnings	6.75%	6.75%	3.50%	N/A	6.75%	6.75%
Projected Salary Increases Attributable to:						
Inflation	2.50%*	2.75%	N/A	N/A	2.75%	2.75%
Seniority/Merit	3.50% -5.35%**	2.75%-6.25%	N/A	N/A	3.25%-6.75%	3.25%-6.75%
Projected Postretirement Increases	2.5%*, 2.25%[t]	None	2.5%	N/A	2.5%	2.5%
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost	N/A	Entry Age Normal Cost	Entry Age Normal Cost
Amortization Method Open/Closed/Layered	Level Percentage Closed	Level dollar Layered	Level dollar Closed	N/A	Level Percentage Layered	Level Percentage Layered
Remaining Amortization Period	20	2(10 year layer)	2	N/A	6(15 year layer)	6(15 year layer)
Asset Valuation Method	5-year Smoothed Market Value	4-year Smoothed Market	Market Value	N/A	4-year Smoothed Market	4-year Smoothed Market
Funded Status						
Actuarial Value of Assets	$ 674,350,432	$ 192,777,372	$ 17,660,121	N/A	$ 421,192,267	$ 36,957,199
Actuarial Accrued Liability	795,107,065	202,596,935	13,655,144	N/A	484,276,906	35,550,788
Unfunded Actuarial Accrued Liability (UAAL)	$ 120,756,633	$ 9,819,563	$ (4,004,977)	N/A	$ 63,084,639	$ (1,406,411)
Funded Ratio	84.81%	95.2%	129.3%	N/A	87.0%	104.0%
Annual Covered Payroll	$ 163,210,268	$ 169,900,003	N/A	N/A	$ 50,749,692	$ 50,749,692
UAAL as Percentage of Covered Payroll	73.99%	5.8%	N/A	N/A	124.3%	-2.8%

The Pension Plan for Fire and Police is a closed plan with no active participants.
* Plan 1, [t] Plan 2 and Hybrid
**Senority/Merit: Leo range, 3.50%-4.75%. Non-Leo range 3.50%-5.35%

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

FUNDING POLICY AND ANNUAL PENSION COST

As of:	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024	6/30/2024
	VRS City	City Supplemental Retirement	Pension for Fire and Police	Retirement Income for Fire and Police	Firefighters and Police Pension	Fire and Police Disability
PERCENTAGE OF COVERED PAYROLL CONTRIBUTED						
Employee %	5.0%	2.0% **	N/A	N/A	7.2%	0.8%
Employer %	11.0%	2.9%	$ 850 K/Yr.	N/A	35.0%	1.0%
AMOUNT CONTRIBUTED						
Employee	$ 7,589,121	$ 2,226,859	$ -	$ -	$ 3,736,832	$ 216,349
Employer	16,658,535	7,328,038	850,000	-	17,518,490	826,751
Total Amount Contributed	$ 24,247,656	$ 9,554,897	$ 850,000	$ -	$ 21,255,322	$ 1,043,100
COVERED PAYROLL						
Dollar Amount (in millions)	$ 158.2	$ 169.9	$ N/A	$ N/A	$ 50.7	$ 50.7
Legally Required Reserves	N/A	N/A	N/A	N/A	N/A	N/A
Long Term Contribution Contracts	N/A	N/A	N/A	N/A	N/A	N/A

INVESTMENT CONCENTRATIONS

The City of Alexandria does not have pension investments (other than U. S. Government and U.S. Government guaranteed obligations) in any one organization that represents five percent or more of net assets held in trust for pension investments.

Empower General Account (Long Term)	*	2.0%	100.0%	-	1.0%	0.0%
Empower and Comerica Mutual Funds	*	23.0%	-	100.0%	19.0%	23.0%
Stocks	*	16.0%	-	-	16.0%	75.0%
Real Estate	*	6.0%	-	-	8.0%	0.0%
Timber	*	4.0%	-	-	3.0%	0.0%
Private Equity	*	6.0%	-	-	8.0%	0.0%
Other	*	43.0%	-	-	45.0%	2.0%

* Investment information not available on an individual jurisdiction basis.

** General Schedule Employees hired before 6/30/2009 make a 0% contribution; Deputy Sheriffs make a 1.5% contribution.

The tables below summarize investments managed by the City of Alexandria in accordance with the fair value hierarchy established by generally accepted accounting principles. Fair value is defined as the quoted market value on the last trading day of the period. The hierarchy is based on the valuation inputs used to measure the fair value of assets.

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active or inputs that are observable market data. Level 2 assets include Alexandria's mutual funds and money market funds. Alexandria's mutual funds and money market funds have both equity and fixed income securities are continuously observable. The underlying equities are observable through quoting services, while the underlying fixed income instruments pricing is determined through both observable market quotes and market pricing determined through the use of matrix valuation using similar securities.

Level 3 – Unobservable inputs that are supported by little to no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs. Alexandria's private equity secondaries are priced using private non-observable data.

Firefighters and Police Officers Defined Benefit and Disability Pension Plans
As of June 30, 2024

Portfolio	Level 1	Level 2	Level 3
Equity Securities			
Common Stock & ETFs	$ 66,093,409	$ -	$ -
Mutual Funds		80,800,535	-
Total Equity Securities	66,093,409	80,800,535	-
Private Equity			
Secondaries Funds	-	-	33,155,007
Total Private Equity	-	-	33,155,007
Cash Equivalents			
Money Market Funds	-	271,844	-
Total Cash Equivalents	-	271,844	-
Total Investments by Fair Asset Value	$ 66,093,409	$ 81,072,379	$ 33,155,007
Investments measured at net asset value (NAV)			
Commingled Collective Trusts	226,817,846		
Real Estate Funds	35,532,383		
Timber Funds	13,131,270		
Total Investments Measured at NAV	275,481,499		
Total Value	**$ 455,802,294**		

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Firefighters and Police Officers NAV

	Capital Commitment	Capital Called	Remaining Uncalled Commitment	Current NAV	Withdrawal Frequency
Commingled Collective Trusts	N/A	N/A	N/A	$226,817,846	Daily to Quarterly
Private Equity	$56,350,000	$40,176,717	$16,173,283	$33,155,007	Closed End Strategies
Real Estate Funds	$4,400,000	$4,400,000	$0	$35,532,383	Monthly
Timber Funds	$8,500,000	$8,359,000	$141,000	$13,131,270	Closed End Strategies
	$69,250,000	$52,935,717	$16,314,283	$308,636,506	

Pension for Fire and Police
As of June 30, 2024

Portfolio	Level 1	Level 2	Level 3
Guaranteed Investment Accounts	$ -	$ 16,913,080	$ -
Totals	**$ -**	**$ 16,913,080**	**$ -**

Retirement Income for Firefighters and Police
As of June 30, 2024

Portfolio	Level 1	Level 2	Level 3
Equity Securities			
Common Stock & ETFs	$ -	$ -	$ -
Mutual Funds		13,246,825	-
Total Equity Securities	-	13,246,825	-
Total Investments by Fair Asset Value	$ -	$ 13,246,825	$ -

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Supplemental Retirement Plan
As of June 30, 2024

Portfolio	Level 1	Level 2	Level 3
Equity Securities			
Common Stock & ETFs	$ 30,453,626	$ -	$ -
Mutual Funds	-	43,818,928	-
Total Equity Securities	30,453,626	43,818,928	-
Private Equity			
Secondaries Funds	-	-	12,376,991
Total Private Equity	-	-	12,376,991
Cash Equivalents			
Money Market Funds	-	3,280,026	-
Total Cash Equivalents	-	3,280,026	-
Total Investments by Fair Asset Value	$ 30,453,626	$ 47,098,954	$ 12,376,991
Investments measured at net asset value (NAV)			
Commingled Collective Trusts	80,101,346		
Real Estate Funds	11,876,985		
Timber Funds	7,840,969		
Farmland	4,139,108		
Total Investments Measured at NAV	103,958,408		
Total Value	**$ 193,887,979**		

Supplemental NAV					
Name on GASB 72	Capital Commitment	Capital Called	Remaining Uncalled Commitment	Current NAV	Withdrawal Frequency
Commingled Collective Trusts	N/A	N/A	N/A	$80,101,346	Daily to Quarterly
Private Equity	$18,150,000	$14,123,340	$4,026,660	$12,376,991	Closed End Strategies
Real Estate Funds	$4,400,000	$4,400,000	$0	$11,876,985	Monthly
Timber Funds	$5,200,000	$5,087,200	$112,800	$7,840,969	Closed End Strategies
Farmland	$2,000,000	$2,000,000	$0	$4,139,108	Quarterly
	$29,750,000	$25,610,540	$4,139,460	$116,335,399	

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Net Pension Liabilities and Pension Expense

For the year ended June 30, 2024, the City recognized pension expense of $51,605,818 for the City's Firefighters & Police Officers Pension Plan, Firefighters & Police Officers Disability Pension Plan, Supplemental Retirement Plan, Pension Plan for Firefighters & Police Officers, and the VRS Pension Plan.

Changes in Net Pension Liability for City of Alexandria Defined Benefit Plans

Firefighters & Police Officers Pension Plan	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balances as of 6/30/2023	$ 470,916,308	$ 397,739,687	$ 73,176,621
Changes for the year:			
Service cost	10,109,500	-	10,109,500
Interest	32,580,050	-	32,580,050
Changes in benefit terms	-	-	-
Changes in assumptions	6,345,555	-	6,345,555
Difference between expected and actual experience	7,015,043	-	7,015,043
Contributions-employer	-	18,807,613	(18,807,613)
Contributions-employee	-	4,063,085	(4,063,085)
Net Investment Income	-	26,542,648	(26,542,648)
Benefit payments, including refunds	(23,827,067)	(23,827,067)	-
Administrative Expense	-	(456,149)	456,149
Net Changes	32,223,081	25,130,130	7,092,951
Balances at 6/30/2024	$ 503,139,389	$ 422,869,817	$ 80,269,572

Firefighters & Police Officers Disability Pension Plan	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balances as of 6/30/2023	$ 29,821,477	$ 32,192,388	$ (2,370,911)
Changes for the year:			
Service cost	364,922	-	364,922
Interest	2,320,727	-	2,320,727
Changes in benefit terms	-	-	-
Changes in assumptions	6,598,020	-	6,598,020
Difference between expected and actual experience	(868,709)	-	(868,709)
Contributions-employer	-	788,877	(788,877)
Contributions-employee	-	214,530	(214,530)
Net Investment Income	-	2,891,320	(2,891,320)
Benefit payments, including refunds	(3,120,070)	(3,120,070)	-
Administrative Expense	-	(34,568)	34,568
Net Changes	5,294,890	740,089	4,554,801
Balances at 6/30/2024	$ 35,116,367	$ 32,932,477	$ 2,183,890

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Supplemental Retirement Plan	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balances as of 6/30/2023	$ 194,075,210	$ 181,538,479	$ 12,536,731
Changes for the year:			
Service cost	5,381,383	-	5,381,383
Interest	13,669,232	-	13,669,232
Changes in benefit terms	-	-	0
Changes in assumptions	3,130,460	-	3,130,460
Difference between expected and actual experience	5,391,265	-	5,391,265
Contributions-employer	-	7,070,292	(7,070,292)
Contributions-employee	-	2,391,959	(2,391,959)
Net Investment Income	-	15,288,036	(15,288,036)
Benefit payments, including refunds	(11,124,006)	(11,124,006)	-
Administrative Expense	-	(1,276,781)	1,276,781
Net Changes	16,448,334	12,349,500	4,098,834
Balances at 6/30/2024	$ 210,523,544	$ 193,887,979	$ 16,635,565

Pension Plan for Firefighters & Police Officers	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balances as of 6/30/2023	$ 14,192,216	$ 17,660,121	$ (3,467,905)
Changes for the year:			
Service Cost	-	-	-
Interest	439,796	-	439,796
Changes in benefit terms	-	-	-
Changes in assumptions	(371,551)	-	(371,551)
Difference between expected and actual experience	(165,521)	-	(165,521)
Contributions-employer	-	850,000	(850,000)
Contributions-employee	-	-	-
Net Investment Income	-	629,050	(629,050)
Benefit payments, including refunds	(2,197,975)	(2,197,975)	-
Administrative Expense	-	(28,116)	28,116
Net Changes	(2,295,251)	(747,041)	(1,548,210)
Balances at 6/30/2024	$ 11,896,965	$ 16,913,080	$ (5,016,115)

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

VRS	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balances as of 6/30/2022	$ 744,465,806	$ 659,039,889	$ 85,425,917
Changes for the year:			
Service cost	14,137,998	-	14,137,998
Interest	49,880,739	-	49,880,739
Changes in benefit terms	-	-	-
Changes in assumptions	-	-	-
Difference between expected and actual experience	11,914,562	-	11,914,562
Contributions-employer	-	15,802,295	(15,802,295)
Contributions-employee	-	7,253,610	(7,253,610)
Net Investment Income	-	42,144,751	(42,144,751)
Benefit payments, including refunds	(39,259,800)	(39,259,800)	-
Other	-	1,643	(1,643)
Prior Year Adj		0	-
Administrative Expense	-	(423,611)	423,611
Net Changes	36,673,499	25,518,888	11,154,611
Balances as of 6/30/2023	$ 781,139,305	$ 684,558,777	$ 96,580,528

Exhibit XII (Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

The components of the Net Pension Liability of the City of Alexandria Defined Benefit Plans as of June 30, 2024 are as follows:

	Firefighters & Police Officers Pension Plan	Firefighters & Police Officers Disablity Pension Plan	Supplemental Retirement Plan	Pension Plan for Firefighters & Police Officers
Total Pension Liability	$ 503,139,389	$ 35,116,367	$ 210,523,544	$ 11,896,965
Plan Fiduciary Net Position	422,869,817	32,932,477	193,887,979	16,913,080
Net Pension Liability/(Asset)	$ 80,269,572	$ 2,183,890	$ 16,635,565	$ (5,016,115)
Plan Fiduciary Net Position as a percentage of Total Pension Liability	84.0%	93.8%	92.1%	142.2%

The following presents the Net Pension Liablities of the City of Alexandria Defined Benefit Plans, calculated using the current discount rates, as well as what the Funds' Net Pension Liabilities would be if they were calculated using a discount rate that is 1.00% lower or higher than the current rate.

Firefighters & Police Officers Pension Plan

Sensitivity of Net Pension Liability to Changes in the Discount Rate	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Total Pension Liability	$ 575,975,039	$ 503,139,389	$ 443,574,056
Plan Fiduciary Net Position	422,869,817	422,869,817	422,869,817
Net Pension Liability/(Asset) 6/30/2024	$ 153,105,222	$ 80,269,572	$ 20,704,239
Plan Fiduciary Net Position as a percentage of Total Pension Liability	73.4%	84.0%	95.3%

Firefighters & Police Officers Disability Pension Plan

Sensitivity of Net Pension Liability to Changes in the Discount Rate	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Total Pension Liability	$ 38,799,270	$ 35,116,367	$ 32,016,130
Plan Fiduciary Net Position	32,932,477	32,932,477	32,932,477
Net Pension Liability/(Asset) 6/30/2024	$ 5,866,793	$ 2,183,890	$ (916,347)
Plan Fiduciary Net Position as a percentage of Total Pension Liability	84.9%	93.8%	102.9%

Supplemental Retirement Plan

Sensitivity of Net Pension Liability to Changes in the Discount Rate	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Total Pension Liability	$ 235,283,712	$ 210,523,544	$ 189,659,127
Plan Fiduciary Net Position	193,887,979	193,887,979	193,887,979
Net Pension Liability/(Asset) 6/30/2024	$ 41,395,733	$ 16,635,565	$ (4,228,852)
Plan Fiduciary Net Position as a percentage of Total Pension Liability	82.4%	92.1%	102.2%

Pension Plan for Firefighters & Police Officers

Sensitivity of Net Pension Liability to Changes in the Discount Rate	1% Decrease	Current Discount Rate	1% Increase
	2.50%	3.50%	4.50%
Total Pension Liability	$ 12,517,123	$ 11,896,965	$ 11,334,813
Plan Fiduciary Net Position	16,913,080	16,913,080	16,913,080
Net Pension Liability/(Asset) 6/30/2024	$ (4,395,957)	$ (5,016,115)	$ (5,578,267)
Plan Fiduciary Net Position as a percentage of Total Pension Liability	135.1%	142.2%	149.2%

Virginia Retirement System (VRS)

Sensitivity of Net Pension Liability to Changes in the Discount Rate	1% Decrease	Current Discount Rate	1% Increase
	5.75%	6.75%	7.75%
Net Pension Liability/(Asset) 6/30/2023	$ 207,130,978	$ 96,580,528	$ 18,481,994

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

$16,658,535.48 reported as deferred outflows of resources related to pensions resulting from City contributions to VRS subsequent to the measurement date of June 30, 2025 will be recognized in pension expense in the year ended June 30, 2024.
At June 30, 2023, the City of Alexandria reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Firefighters & Police Officers Pension Plan		Firefighters & Police Officers Disability Pension Plan		Supplemental Retirement Plan		Pension Plan for Firefighters & Police Officers		VRS		TOTAL		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Total Deferred Ouflows of Resources	Total Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Differences between expected and actual experience	$ 10,029,907	$ 4,249,860	$ 347,557	$ 5,611,294	$ 4,714,558	$ 359,638	$ -	$ -	$ 8,759,438	$ 1,802,904	$ 23,851,460	$ 12,023,696	$ 11,827,764
Changes in assumptions	13,047,456	-	7,044,148	1,751,555	4,672,847	-	-	-	5,131,760	-	29,896,211	1,751,555	28,144,656
Net difference between projected and actual earnings on pension plan investments	19,395,621	-	3,221,081	-	6,683,562	-	57,286	-	-	10,512,036	29,357,550	10,512,036	18,845,514
Employer contributions subsequent to the measurement date	-	-	-	-	-	-	-	-	16,658,535		16,658,535	-	16,658,535
Total	$ 42,472,984	$ 4,249,860	$ 10,612,786	$ 7,362,849	$ 16,070,967	$ 359,638	$ 57,286	$ -	$ 30,549,733	$ 12,314,940	$ 99,763,756	$ 24,287,287	$ 75,476,469

Total deferred outflows	$ 99,763,756
Total deferred inflows	$ 24,287,287

	Firefighters & Police Officers Pension Plan	Firefighters & Police Officers Disability Pension Plan	Supplemental Retirement Plan	Pension Plan for Firefighters & Police Officers	VRS
Year ended June 30:					
2025	$ 4,980,825	$ 629,301	$ 3,158,585	$ 35,241	$ 170,566
2026	21,198,203	1,704,637	9,938,720	25,908	(10,018,719)
2027	4,949,327	(262,732)	1,536,028	3,101	11,068,548
2028	4,147,581	(488,289)	1,077,996	(6,964)	355,863
2029	2,947,188	(26,556)	-	-	-
Thereafter	-	1,693,576	-	-	-
Total Future Deferrals	$ 38,223,124	$ 3,249,937	$ 15,711,329	$ 57,286	$ 1,576,258

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

DESCRIPTION OF BENEFITS:

VRS—City—Regular, full time City employees who are not covered employees under the Firefighters & Police Officers Pension Plan are members of VRS. Participation is mandatory. This plan is administered by the Virginia Retirement System. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Employees with credit for services rendered prior to July 1, 2010 are covered under Plan 1, while members hired or rehired on or after July 1, 2010 are covered under Plan 2. Plan 1 members who did not have 5 years of service as of December 31, 2012, became Plan 2 members. Members hired after January 1, 2014 who are new participants to VRS are covered under the Hybrid Plan. Employees are eligible for an unreduced retirement at age 65 with 5 years of service and at age 50 with 30 years of service under Plan 1, and at Social Security normal retirement age with at least five years of service or when age and service are equal to 90 under Plan 2 and the Hybrid Plan. Beginning January 1, 2020, deputy sheriffs are covered by the VRS enhanced hazardous duty coverage with no supplement. Deputy sheriffs are eligible for an unreduced retirement at age 60 with 5 years of service and at age 50 with 25 years of service under enhanced hazardous duty coverage with no supplement plan. An optional reduced retirement benefit is available to deputy sheriffs as early as age 50 with five years of service under enhanced hazardous duty coverage with no supplement plan. The retirees are entitled to an annual retirement benefit payable monthly for life in an amount equal to 1.70 percent of their average final salary (AFS) for each year of credited service under Plan 1 and the enhanced hazardous duty coverage with no supplement plan; 1.65 percent of AFS for Plan 2; 1.00 percent for the Hybrid Plan. AFS under Plan 1 is 36 highest consecutive months while it is 60 highest consecutive months under Plan 2 and for Plan 1 active non-vested members. In addition, retirees qualify for annual cost-of-living (COLA) increases on July 1 of the second calendar year after retirement. These benefit provisions and all other requirements are established and may be amended by State statutes.

City Supplemental Retirement Plan—Regular, full time City employees including Deputy Sheriffs, Medics and Fire Marshals and regular, part-time City employees who are scheduled to work at least 50 percent time and who are not covered under the Firefighters & Police Officers Pension Plan are participants in the Supplemental Retirement Plan. This plan is administered by the City of Alexandria. State employees working at the Alexandria Health Department are also covered under the Plan. Full time employees receive Credited Service for each month the City and/or employee makes a contribution. Part-time employees accrue Credited Service on a pro-rata basis determined by scheduled work hours. Regular City employees who retire at or after age 65 or after age 50 with 30 years of credited service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to the sum of (1) and (2), increased by 50 percent, plus (3):

(1) 1.625 percent of the participant's past service compensation up to $100, plus 0.25 percent of the participant's past service compensation in excess of $100, multiplied by number of years of credited service earned after July 31, 1960, but prior to August 1, 1970.
(2) 1.625 percent of the participant's average earnings up to $100, plus 0.25 percent of the participant's average earnings in excess of $100, multiplied by the number of years of credited service earned after July 31, 1970, but prior to January 1, 1988.
(3) 0.80 percent of average earnings multiplied by credited service earned after December 31, 1987.

The Deputy Sheriffs, Medics and Fire Marshals can retire unreduced with at least 25 years of services in those positions and at least age 50. The annual benefit is the sum of:

(1) 0.6 percent of the participant's average earnings times credited service for years 1-5 in these positions
(2) 0.9 percent of the participant's average earnings times credited service for years 6-15 in these positions
(3) 1.0 percent of the participant's average earning times credited service for years 16 and greater in these positions.

Benefit provisions are established and may be amended via resolution by City Council.

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Plan for Fire Fighters and Police Officers (closed plan)—Employees who retired on or after age 60 are entitled to an annual retirement defined benefit, payable monthly for life, in an amount equal to 2.5 percent of final average earnings multiplied by years of credited service, up to a maximum of 30 years. The plan also provided early retirement on or after age 50 with 20 years of credited service or on or after age 56 with 10 years of credited service. This plan further provided early retirement on or after age 50 with 10 years of service with an actuarially reduced benefit. Benefit provisions are established and may be amended via resolution by City Council. This plan was closed to new participants in 1979.

Retirement Income Plan for Fire & Police- defined contribution (closed plan)—The employees are entitled to contributions made on their behalf after 100 percent vesting. Benefit provisions are established and may be amended via resolution by City Council. This plan was closed to new members in FY 2004 and converted to a defined benefit plan. Employees in the plan at date of conversion could leave their contributions in the defined contribution component or purchase prior service under the new defined benefit plan with the assets associated with their contributions.

Firefighters and Police Officers Pension Plan—defined benefit component—Full-time sworn Firefighters and Police Officers are covered employees in the Firefighters and Police Officers Pension Plan. Recruits are also covered by the Plan. This plan is administered by the City of Alexandria. Full-time employees receive one month of credit for each full month covered by the Plan. Special rules apply for service prior to January 1, 2004. The Plan provisions were approved by City Council in FY 2004 and provide retirement benefits for covered employees who retire at age 55 with 5 years of service or any age with 25 years of service. The Plan also allows for early retirement at age 50 with 20 years of service with reduced benefits. Employees hired before October 2013 are entitled to 2.5 percent of the participant's average monthly compensation (AMC), multiplied by the years of credited service up to 20 years; plus 3.2 percent of the participant's AMC, multiplied by years of credited service more than 20 years. The maximum benefit is 82.0 percent of the AMC. Employees hired after October 22, 2013 are entitled to 2.5 percent of the participant's average monthly compensation, multiplied by years of credited service. There is no limitation service or maximum benefit for employees hired after October 2013. AMC is the 48 highest consecutive months.

Firefighters and Police Officers Pension Plan—disability component—The plan provisions provide disability benefits for Firefighters and Police Officers. The benefits for service-connected total and permanent disability are 70 percent of final average earnings, 66 2/3 percent for service-connected partial disability, and 2.5 percent multiplied by years of credited service, up to 50 percent for non-service connected partial or total and permanent disability. Employees hired after October 23, 2013 are not eligible for the non-service connected disability. Benefits provisions are established and may be amended via resolution by City Council. Effective January 1, 2004, this plan was merged with the Firefighters and Police Officers Pension Plan. Separate actuarial calculations have been performed for the defined benefit and disability components.

Deferred Retirement Option Program (DROP)—This program is available for members of the Firefighters and Police Officers Pension Plan who were hired prior to October 23, 2013. Members who have completed at least 30 years of credited service are eligible to participate in this program. DROP provides the ability for an employee to retire for purposes of the pension plan, while continuing to work and receive a salary for a period of three years. During the DROP period, the pension plan accumulates the accrued monthly benefit into an account balance identified as belonging to the member. No interest is applied for members whose DROP effective date is after October 31, 2013. The monthly benefit is calculated using service and average monthly compensation as of the date of entry in DROP, with increases equal to the annual COLA adjustment provided for retirees.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

COMPONENT UNIT – ALEXANDRIA CITY PUBLIC SCHOOLS (ACPS)

ACPS participates in three public employee retirement systems (PERS). Two of these systems, a cost- sharing multiple-employer plan (professional) and an agent multiple-employer plan (non-professional), are administered by the Virginia Retirement System (VRS) and are, therefore, not reflected as ACPS pension trust funds. The third plan, Employees' Supplemental Retirement Plan (Supplemental Plan), is a single-employer defined benefit plan, where a stated methodology for determining pension benefits is provided. This plan is part of ACPS' reporting entity and, as such, is reflected as a Pension Trust Fund.

The actuarial valuation for the Supplemental Plan is performed annually. The actuarial valuation for VRS is performed biennially; however, an actuarial update is performed in the interim year.

In the Supplemental Plan, no changes occurred in the actuarial valuation assumptions, plan benefits, actuarial cost method or procedures affecting the comparability of costs.

A. VIRGINIA RETIREMENT SYSTEM

Plan Description

All full-time salaried permanent (professional) employees of Alexandria City Public Schools (ACPS) are automatically covered by the VRS Teacher Retirement Plan upon employment. All full-time salaried permanent employees (non-professional) of ACPS are automatically covered by the VRS Political Subdivision Retirement Plan. These plans are administered by the Virginia Retirement System (The System or VRS) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees in the VRS Teacher Retirement Plan and VRS Political Subdivision Retirement Plan – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the following table.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

VRS Plan 1	VRS Plan 2	VRS Hybrid Retirement Plan
About Plan 1 Plan 1 is a defined benefit plan. The Retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula.	**About Plan 2** Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at Retirement using a formula.	**About the Hybrid Retirement Plan** The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. • The defined benefit is based on member's age, creditable service and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions. • In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.
Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, they were vested before January 1, 2013, and they have not taken a refund. **Hybrid Opt-In Election** VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.	**Eligible Members** Employees are in Plan 2 if their membership date is from July 1, 2010, to December 31, 2013, and they have not taken a refund. Members are covered under Plan 2 if they have a membership date prior to July 1, 2010, and they were not vested before January 1, 2013. **Hybrid Opt-In Election** Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014. The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014. If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan. *Political Subdivision Plan Only:* Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.	**Eligible Members** Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes: School division employees and Political subdivision employees* Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014 ***Non-Eligible Members** Some employees are not eligible to participate in the Hybrid Retirement Plan. They include: Political Subdivision employees who are covered by enhanced benefits for hazardous duty employees. Those employees eligible for an optional retirement plan (ORP) must elect the Hybrid retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

VRS Plan 1	VRS Plan 2	VRS Hybrid Retirement Plan
Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax –deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.	**Retirement Contributions** Same as Plan 1.	**Retirement Contributions** A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.
Service Credit Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.	**Service Credit** Same as Plan 1.	**Service Credit** **Defined Benefit Component:** Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit. **Defined Contributions Component:** Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.
Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five year (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund. Members are always 100% vested in the contributions that they make	**Vesting** Same as Plan 1.	**Vesting** **Defined Benefit Component** Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component. **Defined Contributions Component:** Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

VRS Plan 1	VRS Plan 2	VRS Hybrid Retirement Plan
		employer contributions from the defined contribution component of the plan. Members are always 100% vested in the contributions that they make. Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service. • After two years a member is 50% vested and may withdraw 50% of employer contributions • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, member is 100% vested and may withdraw 100% of employer contributions. Distributions not required, except as governed by law.
Calculating the Benefit The Basic Benefit is determined using the average final compensation, service credit and plan multiplier. An early retirement reduction is applied to this amount, if the member is retiring with a reduced benefit. In cases where the member has elected an optional form of retirement payment, an option factor specific to the option chosen is then applied.	**Calculating the Benefit** See definition under Plan 1.	**Calculating the Benefit** Defined Benefit Component: See definition under Plan 1 Defined Contribution Component: The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.
Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.	**Average Final Compensation** A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.	**Average Final Compensation** Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.
Service Retirement Multiplier **VRS:** The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The Retirement multiplier for non-hazardous duty members is 1.70%.	**Service Retirement Multiplier** **VRS:** Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013.	**Service Retirement Multiplier** **Defined Benefit Component:** **VRS:** the retirement multiplier for the defined benefit component is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans. **Defined Contribution Component:** Not applicable.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

VRS Plan 1	VRS Plan 2	VRS Hybrid Retirement Plan
Normal Retirement Age **VRS:** Age 65.	**Normal Retirement Age** **VRS:** Normal Social Security retirement age.	**Normal Retirement Age** **VRS:** **Defined Benefit Component:** Same as Plan 2. **Defined Contribution Component:** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Unreduced Retirement Eligibility VRS: Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.	**Earliest Unreduced Retirement Eligibility VRS:** Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.	**Earliest Unreduced Retirement Eligibility VRS:** **Defined Benefit Component:** Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90. **Defined Contribution Component:** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Reduced Retirement Eligibility **VRS:** Age 55 with at least five years (60 months) if creditable service or age 50 with at least 10 years of creditable service.	**Earliest Reduced Retirement Eligibility** **VRS:** Age 60 with at least five years (60 months) of creditable service.	**Earliest Unreduced Retirement Eligibility VRS:** **Defined Benefit Component:** Age 60 with at least five years (60 months) of creditable service.. **Defined Contribution Component:** Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Cost-of Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%. **Eligibility:** For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date. For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year	**Cost-of Living Adjustment (COLA) in Retirement** The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 2%) up to a maximum COLA of 3%. **Eligibility:** Same as Plan 1.	**Cost-of-Living Adjustment (COLA) in Retirement** **Defined Benefit Component:** Same as Plan 2. **Defined Contribution component:** Not applicable. **Eligibility:** Same as Plan 1 and Plan 2.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

VRS Plan 1	VRS Plan 2	VRS Hybrid Retirement Plan
following unreduced retirement eligibility date. **Exceptions to COLA Effective Dates:** The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances: • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act of the Transitional Benefits Program. • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.	**Exceptions to COLA Effective Dates:** Same as Plan 1.	**Exceptions to COLA Effective Dates:** Same as Plan 1 and Plan 2.
Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.	**Disability Coverage** Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.	**Disability Coverage** Employees of school divisions and political subdivision (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members. Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.

Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. Members also may be eligible to purchase periods of leave without pay.	**Purchase of Prior Service** Same as Plan 1.	**Purchase of Prior Service** **Defined Benefit component:** Same as Plan 1, with the following exceptions: • Hybrid Retirement Plan members are ineligible for ported service **Defined Contribution Component:** Not applicable.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

ACPS VRS Political Subdivision Retirement Plan

The Virginia Retirement System (VRS) Political Subdivision Retirement Plan is a multi-employer, agent plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Political Subdivision's Retirement Plan and the additions to/deductions from the Political Subdivision's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Employees Covered by Benefit Terms

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Count
Active Members	**283**
Inactive members:	
Vested inactive members	45
Non-vested Inactive Members	116
Long-term Disability	-
Total Inactive Members	**161**
Retirees and beneficiaries currently receiving benefits	**198**
Total Covered Employees	**642**

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation towards their retirement.

ACPS' contractually required contribution rate for the year ended June 30, 2024 was 1.21 % of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from ACPS were $0.4 million for each of the years ended June 30, 2024 and June 30, 2023, respectively.

Net Pension Liability

The net pension liability (NPL) is calculated separately for each employer and represents that employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For ACPS, the net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022 rolled forward to the measurement date of June 30, 2023.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Actuarial Assumptions- General Employees

The total pension liability for General Employees in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Actuarial Assumptions	
Inflation	2.5 percent
Salary increases, including Inflation	3.5 percent – 5.35 percent
Investment rate of return	6.75 Percent, net of pension plan investment expense, including inflation*
Mortality rates:	
Largest 10- Non-LEOS:	20% of deaths are assumed to be service related
- Pre-Retirement	Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years
- Post-Retirement	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years
- Post-Disablement	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years
- Beneficiaries and Survivors	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years
- Mortality Improvement	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates
All Others (non 10 Largest) Non-LEOS:	15% of deaths are assumed to be service related
- Pre-Retirement	Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years
- Post-Retirement	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years
- Post-Disablement	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years
- Beneficiaries and Survivors	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years
- Mortality Improvement	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS board action, effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS board action are as follows:

Largest 10-Non-LEOS Duty:

Mortality rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates; Salary Rates; Discount Rates	No changes

All Others (non-10 Largest) – Non-LEOS Duty:

Mortality rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates; Salary Rates; Discount Rates	No changes

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of the expected future real rates of return(expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return [1]
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
		Inflation	2.50%
	[1] Expected arithmetic nominal return		8.25%

[1] The above allocation provides a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing median return of 7.14%, including expected inflation of 2.5%.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes, and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate.

For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2021, actuarial valuations, whichever was greater. From July 1, 2022 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Changes in Net Pension Liability (Asset)

	Increase(Decrease)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability (Asset)**
Balances at June 30, 2022	$ 45,746,984	$ 56,725,524	$ (10,978,540)
Changes for the year:			
Service Cost	711,898	-	711,898
Interest	3,051,486	-	3,051,486
Differences between expected and actual experience	(3,187)	-	(3,187)
Changes in assumptions	-	-	-
Contributions – employer	-	-	-
Contributions – employee	–	396,483	(396,483)
Net investment income	–	3,599,971	(3,599,971)
Benefit payments, including refunds of employee contributions	(2,503,378)	(2,503,378)	–
Administrative expenses	–	(36,830)	36,830
Other changes	–	1,369	(1,369)
Net changes	1,256,819	1,457,615	(200,796)
Balances at June 30, 2023	$ 47,003,803	$ 58,183,139	$ (11,179,336)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of ACPS using the discount rate of 6.75%, as well as what ACPS net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	(-1%) Decrease 5,75%	**Current Discount Rate** 6,75%	**(+1%) Increase** 7,75%
Net Pension Liability (Asset)	$ (5,782,457)	$ (11,179,336)	$ (15,687,541)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, ACPS recognized pension expense of approximately ($1.42 million). As of June 30, 2024, ACPS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Net difference between projected and actual earnings on pension plan investments	$ –	$ 946,133
Employer contributions subsequent to the measurement date	79,478	–
Change in assumptions	-	-
Differences between expected and actual experience	–	304,633
Total	$ 79,478	$ 1,250,766

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

The $0.1 million reported as deferred outflows of resources related to pensions resulting from ACPS's contributions subsequent to the measurement date will be recognized as a reduction of Net Pension Liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2025	$ (969,617)
2026	(1,130,672)
2027	818,183
2028	31,340
2029 and thereafter	-
Total	$ (1,250,766)

Payables to the Pension Plan

At June 30, 2024, ACPS reported payables to the VRS Political Subdivision Retirement Plan of $50,000. These payables are reflected in the balance sheet of the governmental funds and represent short-term amounts due for legally required contributions outstanding at the end of the fiscal year.

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan's is also available in the separately issued VRS 2023 *Comprehensive Annual Financial Report* (Annual Financial Report). A copy of the 2023 VRS Annual Financial Report may be downloaded from the VRS website at https://www.varetire.org/pdf/publications/2023-annual-report.pdf, or by writing to the system's Chief Financial Officer at P.O. Box 2500, Richmond, VA,23218-2500.

VRS Teachers Retirement Plan

The Virginia Retirement System (VRS) Teacher Employee Retirement Plan is a multiple employer, cost-sharing plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Teacher Employee Retirement Plan and the additions to/deductions from the VRS Teacher Employee Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the VRS. In addition, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Contributions

The contribution requirement for active employees is governed by Title 51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to school division by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Each school division's contractually required contribution rate for the year ended June 30, 2024 was 16.62% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from ACPS were $38 million and $35.7 million for each of the years ended June 30, 2024 and June 30, 2023, respectively.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

In June 2023, the Commonwealth made a special contribution of approximately $147.5 million to the VRS Teachers Plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acs of Assembly Reconvened Session, and classified as a non-employer contribution.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, ACPS reported a liability of $176.8 million for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2023 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. ACPS' proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2023, relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, the school division's proportion was 1.74909% as compared to 1.79324% at June 30, 2022.

For the year ended June 30, 2024, ACPS recognized pension expense of $15.9 million. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions. Beginning with the June 30, 2022 measurement date, the difference between expected and actual contributions is included with the pension expense calculation.

At June 30, 2024, ACPS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 11,494,533
Changes in proportion and differences between employer contributions and proportionate share of contributions	197,888	7,304,435
Changes in assumptions	8,014,243	-
Differences between expected and actual experience	15,185,905	6,898,871
Employer contributions subsequent to the measurement date	29,196,196	-
Total	$ 52,594,232	$ 25,697,839

The deferred outflows of resources of $9.2 million related to pensions, resulting from the school division's contributions subsequent to the measurement date, will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Year Ending June 30,	Amount
2025	$ (5,277,892)
2026	(12,176,204)
2027	12,441,326
2028	2,712,968
2029	–
	$ (2,299,802)

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Actuarial Assumptions	
Inflation	2.5 percent
Salary increases, including Inflation	3.5 percent – 5.95 percent
Investment rate of return	6.75 Percent, net of pension plan investment expense, including inflation
Mortality rates:	
- Pre-Retirement	Pub-2010 Amount Weighted Teachers Employee Rates projected generationally; 110% of rates for males
- Post-Retirement	Pub-2010 Amount Weighted Teachers Healthy Retiree Rates projected generationally; males set forward 1 year; 105% of rates for females
- Post-Disablement	Pub-2010 Amount Weighted Teachers Disabled Rates projected generationally; 110% of rates for males and females
- Beneficiaries and Survivors	Pub-2010 Amount Weighted Teachers Contingent Annuitant Rates projected generationally
- Mortality Improvement	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the four-year period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action, effective as of July 1, 2021.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates; Salary Rates; Discount Rates	No changes

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2023, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

	Teacher Employee Retirement Plan
Total Pension Liability	$ 57,574,609
Plan Fiduciary Net Position	47,467,405
Employers' Net Position Liability	$ 10,107,204
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.45%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

Long – Term Expected Rate of Return

The long-term expected rate of return on pension System investments were determined using a log- normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return [1]
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP – Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
		Inflation	2.50%
		[1] Expected arithmetic nominal return	8.25%

[1] The above allocation provides a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%. On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes, and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2023, the rate contributed by ACPS for the VRS Teacher Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly which was 112% of the actuarially determined contribution rate. From July 1, 2023 on, school divisions are assumed to contribute 112% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School Division's Proportionate share of the Net Pension Liability to Changes in the Discount Rate

The following presents ACPS' proportionate share of the net pension liability using the discount rate of 6.75%, as well as what the school division's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	(-1%) Decrease 5.75%	Current Discount Rate 6.75%	(+1%) Increase 7.75%
ACPS' proportionate share of VRS Teacher Plan Net Pension Liability	$ 313,375,170	$ 176,784,108	$ 64,495,021

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2023 *Comprehensive Annual Financial Report* (Annual Financial Report). A copy of the 2023 VRS Annual Financial Report may be downloaded from the VRS website at https://www.varetire.org/pdf/publications/2023-annual-report.pdf or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA23218-2500.

Payables to the Pension Plan

At June 30, 2024, ACPS reported payables to the VRS Teacher Retirement Plan of $4.1 million. These payables are reflected in the balance sheet of the governmental funds and represent short-term amounts due for legally required contributions outstanding at the end of the fiscal year.

B. EMPLOYEES' SUPPLEMENTAL RETIREMENT PLAN

Plan Description

The Employees' Supplemental Retirement Plan (the Plan) is a single-employer defined benefit plan sponsored by ACPS. The Plan is governed by the Alexandria School Board (Board) which has the authority to make all investment and policy decisions impacting the Plan's existence, investments, benefits, and administration. The Board has established an Investment Advisory Board (Advisory Board) to monitor and manage the Plan. The Advisory Board consist of five members: 1) the Plan Administrator/ ACPS Chief Human Resource Officer; 2) the Plan Investment Officer/ ACPS Chief Financial Officer; 3) one teacher member selected from among active employee participants; 4) one retired member actively earning benefits from the plan; and 5) one certified investment management professional. The Board has contracted with the Principal Financial Group to manage certain plan assets and administer the retirement benefits to the plan participants.

The purpose of the Plan is to provide supplemental retirement benefits to employees of Alexandria City Public Schools. Statutory authority for the establishment of this Plan is provided by the *Code of Virginia* §51.1-800 through §51.1-803.

All full-time employees are eligible to participate in the Plan as of July 1, 1961, if classified as a twelve-month employee. Ten-month employees were eligible to participate in the Plan as of July 1, 1971. The Plan's fiscal year end is August 31. The net pension liability reported for the period ending August 31, 2023 was measured as of August 31, 2023, using the total pension liability that was determined by an actuarial valuation as August 31, 2023.

The Plan's policy is to prepare its financial statements on the accrual basis of accounting. The Plan does not issue a separate, publicly-available financial report.

Measurement Date

A measurement date of August 31, 2023 has been used for GASB 67 reporting and for the Fiscal Year ending June 30, 2024 for GASB 68 reporting.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Benefits Provided

The Plan provides disability and death benefits. Benefits at retirement are based upon years of service and the average earnable compensation of an eligible employee during any three years that provide the highest average earnable compensation and are adjusted for inflation after retirement. Benefits at early retirement are reduced by an early retirement factor. Employees are considered vested on or after completing five years of service, or on or after attaining age 60. Employees who retire at or after age 65 or after age 50 with 30 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 0.40 percent of effective compensation multiplied by credited future service on and after September 1, 1984, and 1.625 percent of effective compensation not to exceed $100 plus 0.25 percent of the amount by which effective compensation exceeds $100 multiplied by credited past service before September 1, 1984, and 1.625 percent of past service compensation in excess of $100 plus 0.25 percent of past service compensation in excess of $100 times credited past service. There have been no changes in plan provisions during the measurement period.

Contributions

Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment has been made to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The funding policy of the Plan provides for monthly contributions at actuarially- determined rates, which will remain relatively level over time as a percentage of payroll and will accumulate sufficient assets to meet the cost of all basic benefits when due. The basis for determining contributions is an actuarially determined contribution rate that is calculated each year in the Plan's actuarial valuation report. Starting January 2013, contributions were made at the rate of 1.50% of covered payroll. During FY 2024, only ACPS employees contributed to the Plan. These contributions totaled $3.1 million for the fiscal year ended June 30, 2024. Administrative costs of the Plan are paid from the Plan's assets.

Investment Policy

The objective of the Plan is to maintain actuarial soundness so that funds will be available to meet contractual benefit obligations. The investment policy may be amended by the Board at any time. Principal Financial Advisors, Inc., a registered investment advisor and wholly owned subsidiary of Principal Financial Group, has been hired to manage the asset allocation strategy for the Plan. The following was the Plan's adopted asset allocation policy as of August 31, 2023.

Asset Class (Strategy)	Target Allocation	Arithmetic Long-term Expected Rate of Return	Expected Geometric Return
U.S Equity - Large Cap	16.46%	7.80%	6.35%
U.S Equity - Mid Cap	2.10%	8.35%	6.35%
U.S Equity - Small Cap	2.06%	8.70%	6.35%
Non-US Equity	8.84%	8.00%	6.35%
U.S. Private Real Estate	12.01%	6.85%	6.20%
Core Bond	53.46%	4.40%	4.30%
High Yield	5.07%	6.30%	5.85%
Total	100.00%		
Exp LTROA (arithmetic mean)	5.84%		
Portfolio Standard Deviation	6.93%		
40th percentile	5.13%		
45th percentile	5.37%		
Expected Compound Return	**5.61%**		
55th percentile	5.85%		
60th percentile	6.10%		
Portfolio Investment Mix:	Equity 29% / Fixed Income 59% / Other 12%		

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Concentrations

As of the measurement date, the plan had investments (other than US Government and US Government guaranteed obligations) in only Principal Financial Group, totaling $126.0 million, that represented 5 percent or more of the Plan's fiduciary net position.

Annual Money-Weighted Rate of Return

For the Plan year ended August 31, 2023, the annual money-weighted rate of return on plan investments for the measurement period is 2.35%. The money-weighted rate of return is calculated as a rate of return on pension plan investments incorporating the timing and amount of cash flows. This return is calculated net of investment expenses.

Long-Term Expected Rate of Return

For the plan year ended August 31, 2023, the expected long-term rate of return assumption as of the end of period is 5.50%. The expected long-term return on plan assets assumption was developed as a weighted average rate based on the target asset allocation of the plan and the Long-Term Capital Market Assumptions (CMA) 2023. The capital market assumptions were developed with a primary focus on forward-looking market indicators and valuation models, as well as utilizing the analysis of historical data and trends, the outlook and forecasts from credible economic studies, and investment expert opinions.

Actuarial Assumptions

The actuarial assumptions used in the August 31, 2023 valuation were based upon the results of an actuarial assumption review for the five-year period of September 1, 2007 to August 31, 2012.

During the plan year ended August 31, 2023, the following changes in assumptions were implemented.

- The discount rate has increased from 5.25% to 5.50%.
- The long-term rate of return for the current year has increased from 5.25% to 5.50%.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

MEMBERSHIP AND PLAN PROVISIONS (Employees' Supplemental)

Active plan members	2,463
Retirees and beneficiaries currently receiving benefits	1,285
Inactive or disabled plan members entitled to but not receiving benefits	2,718
Total	6,466
Normal retirement age	65 years
Benefits age	50 yrs (+30 yrs of service)
Benefits vesting years	5 years
Disability and death benefits	Yes

SIGNIFICANT ACTUARIAL ASSUMPTIONS

Long-term rate of return	5.50%
Discount rate	5.50%
Projected salary increase attributed to:	
Inflation	2.40%
Seniority /merit	4.88 – 7.18%
Retirement increases	-
Actuarial cost method	Entry Age Normal actuarial cost method
Open/closed	Open
Remaining amortization period	18 years
Asset valuation method	Contract Basis
Mortality – Pre-retirement	PubG-2010 General base table with MP-2021 Mortality Improvement Scale
Mortality – Post-retirement	PubG-2010 General base table with MP-2021 Mortality Improvement Scale

PERCENTAGE OF COVERED PAYROLL CONTRIBUTION

Employee contribution percentage	1.50%
Employer contribution percentage	0.00%
Employee contribution, during the measurement period	$ 3,073,108
Employer contribution	-
Total amount contributed	$ 3,073,108
Covered payroll (Annual member compensation)	$ 184,499,872
Legally-required reserves	None
Long-term contribution contracts	None

Projected Cash Flows

Projected cash flows are based upon the underlying assumptions used in the development of the accounting liabilities.

Discount Rate

The discount rate used to determine the end of period Total Pension Liability is 5.50%. The discount rate is a single rate that incorporates the long-term rate of return assumption. The long-term rate of return assumption was applied to the projected benefit payments from 2023 to 2119. Benefit payments after 2119 are projected to be $0.00.

Net Pension Liability

The net pension liability reported for ACPS fiscal year end of June 30, 2024 was measured as of August 31, 2023, using the total pension liability that was determined by an actuarial valuation as of August 31, 2023.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Changes in Net Pension Liability

	Increase(Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at August 31, 2022	$ 178,307,380	$ 126,730,322	$ 51,577,058
Changes for the year			
Service Cost	5,542,790	-	5,542,790
Interest	9,469,399	-	9,469,399
Differences between expected and actual experience	1,739,079	-	1,739,079
Change in assumptions	(6,275,209)	-	(6,275,209)
Contributions – employer	-	-	-
Contributions – employee	–	3,063,422	(3,063,422)
Net investment income	–	2,924,985	(2,924,985)
Benefit payments, including refunds of employe contributions	(6,525,194)	(6,525,194)	-
Administrative expenses	–	(241,955)	241,955
Net changes	3,950,865	(778,742)	4,729,607
Balances at August 31, 2023	$ 182,258,245	$ 125,951,580	$ 56,306,665
Plan Fiduciary Net Position as a percentage of Total Pension Liability			69.11%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Employees' Supplemental Retirement Plan using the discount rate of 5.50%, as well as what the pension net pension liability would be if it was calculated using a discount rate that is one percentage point lower (4.50%) or one percentage point higher (6.50%) than the current rate.

	(-1%) Decrease 4.50%	Current Discount Rate 5.50%	(+1%) Increase 6.50%
Net Pension Liability	$ 83,517,085	$ 56,306,665	$ 34,174,697

Pension Expense and Deferred outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Employees' Supplemental Retirement Plan pension expense for the fiscal year ended June 30, 2024 is $14.0 million. For the year ended June 30, 2024, ACPS reported deferred inflows of resources related to pensions for this Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 10,762,600	$ -
Changes in assumptions	3,834,009	11,203,695
Differences between expected and actual experience	1,856,513	58,877
Total	$ 16,453,122	$ 11,262,572

Only employee contributions are made to the Supplemental Retirement Plan. As such, no deferred outflows are recorded for contributions made after the Plan measurement date.

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in the pension expense as follows:

Year Ending June 30,	Amount
2025	$ (705,559)
2026	1,043,364
2027	4,129,831
2028	722,914
Total	$ 5,190,550

Payables to the Pension Plan

At June 30, 2024, ACPS reported payables to the Employees' Supplemental Retirement Plan of $0.3 million.

The following is a summary of fiduciary net position of the Plan as of June 30, 2024.

Summary of Fiduciary Net Position
Employees' Supplementary Retirement Plan
As of June 30, 2024

ASSETS	
Mutual Funds	$ 131,005,442
Contribution Receivable	298,548
Total assets	131,303,990
NET POSITION	
Held in trust for pension benefits	$ 131,303,990

The following is a summary of changes in fiduciary net position of the Plan for the year ended June 30, 2024.

Summary of Changes in Fiduciary Net Position
Employees' Supplementary Retirement Plan
For the Year Ended June 30, 2024

ADDITIONS	
Contributions	$ 3,148,361
Investment Earnings net	8,017,677
Total Additions	11,166,038
DEDUCTIONS	
Benefit payments	6,636,998
Administrative expenses	318,421
Total Deductions	6,955,419
Change in net position	4,210,619
NET POSITION, beginning of year	127,093,371
NET POSITION, end of year	$ 131,303,990

Exhibit XII
(Continued)

NOTE 17. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Summary of Net Pension Liabilities/Asset and Deferred Inflows and Outflows of Resources
As of June 30, 2024

	VRS - Teachers Plan				VRS - Political Subdivision Plan				Employees Supplemental Plan				Total Pension Plans				
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Asset	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Asset	Net Pension Liability	Pension Expense
Net Pension Liability	$ -	$ -	$ 176,784,108	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 56,306,665	$ -	$ -	$ -	$ -	$ 233,090,773	$ -
Net Pension Asset	-	-	-	-	-	-	11,179,336	-	-	-	-	-	-	-	11,179,336	-	-
Net difference between projected and actual earnings on pension plan investments	-	11,494,533	-	-	-	946,133	-	-	10,762,600	-	-	-	10,762,600	12,440,666	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	197,888	7,304,435	-	-	-	-	-	-	-	-	-	-	197,888	7,304,435	-	-	-
Differences between expected and actual experience	15,185,905	6,898,871	-	-	-	304,633	-	-	1,856,513	58,877	-	-	17,042,418	7,262,381	-	-	-
Changes in assumptions	8,014,243	-	-	-	-	-	-	-	3,834,009	11,203,695	-	-	11,848,252	11,203,695	-	-	-
Employer contributions subsequent to the measurement date	29,196,196	-	-	-	79,478	-	-	-	-	-	-	-	29,275,674	-	-	-	-
Pension Expense	-	-	-	15,917,079	-	-	-	(1,497,319)	-	-	-	10,966,576	-	-	-	-	25,376,336
Totals	$ 52,594,232	$ 25,697,839	$ 176,784,108	$ 15,917,079	$ 79,478	$ 1,250,766	$ 11,179,336	$ (1,497,319)	$ 16,453,122	$ 11,262,572	$ 56,306,665	$ 10,966,576	$ 69,126,832	$ 38,211,177	$ 11,179,336	$ 233,090,773	$ 25,376,336

NOTE 18. TAX ABATEMENTS

A tax abatement is a reduction in tax revenues or exemption from tax expense that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action that after the agreement has been entered into, it contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City entered into a 15-year agreement with the General Services Administration (GSA) on behalf of an independent federal government agency for the purchase of real property and construction of a building for lease (known as the Eisenhower Avenue Science Redevelopment District). The agreement involves a real property tax exemption that partially exempts real estate taxes due during the 15-year period of leasing the building to tenants. The state law under which the abatement was enacted is the Code of Virginia detailed within 58.1-3221 which states that, the governing body of any county, city or town may, by ordinance, provide for the partial exemption from taxation of real estate on which any structure or other improvement provided certain criteria is met including substantial rehabilitation, renovation, or replacement for commercial or industrial use.

The effective date of the start of the abatement was January 1, 2018. The annual percent of real estate taxes that will be exempt on the improvements during the 15 years of the initial transaction are summarized in the table below. Calendar Year 2024 is the seventh year of the abatement.

Year	Percent	Year	Percent
1	100%	9	90%
2	100%	10	80%
3	100%	11	70%
4	100%	12	60%
5	100%	13	50%
6	100%	14	40%
7	100%	15	30%
8	100%	16 & Beyond	0%

The real property assessments for all land and buildings within the District shall be determined by the Real Estate Assessor and shall be established at 100 percent of fair market value using the same principles, procedures, and methodology established for other like kind taxable real property in the City. The owner of land and improvements within the District maintains the same rights and limitations of appeal of the City's annual real estate assessment as that applicable to other taxable real estate in the City. The annual assessed value of the land component in the District, reflecting any increases or decreases in assessed value of said land component, shall remain fully taxable. The annual assessed value of the land component shall also reflect that of a finished developed lot.

At the time of the agreement the agency's presence in the City was projected to generate $73.0 million over a 15-year period and up to $95.0 million over a 20-year period if the agency lease is extended. After setting aside a $28.0 million value of the proposed tax abatement over the 15 years, the net tax gain to the City's General Fund is projected to be $45.0 million over a 15-year period and $68.0 million over a 20-year period. An economic analysis indicated that the agency would generate 90,000 hotel room stays per year.

In FY 2024, the eligibility requirements for the District were met and $2.3 million in real estate taxes were abated.

NOTE 19. NEW ACCOUNTING STANDARDS

In FY 2024, the following Governmental Accounting Standards Board (GASB) statement was implemented:

Statement No. 100, "**Accounting Changes and Error Corrections**." Effective for fiscal years beginning after 6/15/23, defines four categories of accounting changes and error corrections and related accounting and financial reporting requirements. (1) Changes in accounting principle must be reported retroactively by restating prior periods. (2) Changes in accounting estimate must be reported prospectively by recognizing the change in the current period. (3) Changes to and within the financial entity must be reported by adjusting beginning balances of the current period. (4) Error corrections resulting from mathematical mistakes, misuse of information, or misapplication of accounting principle should be reported retroactively by restating prior periods. This standard had no impact on the financial statements.

NOTE 20. SUBSEQUENT EVENTS

Predevelopment of Affordable Housing Loans

The following predevelopment loans to advance two affordable housing pipeline projects were approved by the City Council:

(1) Community Housing Partners (CHP), 2712 Duke Street ("Witter Place") for $400,000; and

(2) Community Lodgings, Inc. (CLI), Elbert Avenue for $400,000.

Pursuant to the City's policy to provide predevelopment loan funding of up to $5,000 per unit for affordable housing projects, $400,000 of Housing Opportunity Funds to each project is deemed likely to be feasible. The City permanent loan requests are anticipated when projects receive development approvals to support applications for low-income housing tax credits. At that time, the predevelopment loan amount is typically consolidated into a permanent loan. It is anticipated that the Witter Place project will move forward with a tax credit application in March 2025, if it receives the appropriate development approvals.

Issuance of General Obligation Bonds

On October 29, 2024, the City closed on a tax-exempt bond issuance of $114,55,000, including an original issue premium of $13,134,500. The bonds are being used to finance various public improvement capital projects and pay the issuance costs of the series 2024 bonds.

REQUIRED

SUPPLEMENTARY

INFORMATION

(Unaudited)

In accordance with the Governmental Accounting Standards Board Statements No. 25, No. 27, No. 34, No. 43,

No.45 and No. 75 the following information is a required part of the basic financial statements.

CITY OF ALEXANDRIA, VIRGINIA
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024

EXHIBIT XIII

	Original Budget	Budget as Amended	Actual	Variance from Amended Budget - Over (Under)
Revenues:				
General Property Taxes	$ 601,747,225	$ 601,747,225	$ 601,982,933	$ 235,708
Other Local Taxes	150,171,300	150,171,300	158,907,657	8,736,357
Permits, Fees, and Licenses	2,667,500	2,667,500	3,026,166	358,666
Fines and Forfeitures	4,425,000	4,425,000	6,131,452	1,706,452
Use of Money and Property	19,322,000	19,322,000	30,017,827	10,695,827
Charges for Services	15,652,609	15,652,609	17,374,352	1,721,743
Intergovernmental Revenues	58,945,038	58,945,038	35,610,144	(23,334,894)
Interest from Leases	-	-	358,798	358,798
Miscellaneous	3,470,890	3,500,890	16,988,114	13,487,224
Total Revenues	856,401,562	856,431,562	870,397,444	13,965,882
Expenditures:				
City Council	774,777	774,777	685,575	89,202
City Manager	6,174,268	7,091,186	5,185,932	1,905,254
Office of Management and Budget	1,655,058	1,968,108	1,827,115	140,993
18th Circuit Court	1,776,710	1,776,753	1,688,041	88,712
18th General District Court	166,234	166,280	127,301	38,979
Juvenile And Domestic Relations Court	95,502	95,530	69,363	26,167
Commonwealth's Attorney	4,402,585	4,723,804	4,552,876	170,928
Sheriff	34,744,258	35,893,267	35,521,662	371,605
Clerk of Courts	1,981,830	2,081,870	2,065,446	16,424
Other Correctional Activities	4,762,999	5,420,686	4,753,643	667,043
Court Services	2,283,494	2,283,552	2,246,379	37,173
Human Rights	1,099,038	1,108,288	1,080,802	27,486
Internal Audit	435,792	487,776	437,457	50,319
Information Technology Services	15,300,125	16,714,823	16,542,826	171,997
Office of Communications	2,428,570	2,625,901	2,364,706	261,195
City Clerk and Clerk of Council	489,618	489,665	486,626	3,040
Finance	14,335,454	14,532,344	13,129,242	1,403,102
Human Resources	6,356,334	6,511,433	5,017,867	1,493,566
Planning and Zoning	7,426,131	7,928,578	7,271,460	657,118
Economic Development Activities	8,125,002	8,465,537	8,002,375	463,162
City Attorney	4,149,790	4,649,818	4,591,204	58,614
Registrar of Voters	1,747,128	1,797,010	1,687,181	109,829
General Services	14,919,342	16,471,106	15,016,149	1,454,957
Performance and Accountability	938,466	1,007,388	890,125	117,263
Transportation and Environmental Services	31,458,884	33,854,965	28,918,212	4,936,752
Transit Subsidies	17,502,979	18,060,467	17,143,919	916,549
Fire	62,254,957	64,101,014	63,502,456	598,558
Office of Independent Policing	578,440	578,440	272,252	306,188
Police	71,164,838	72,093,912	71,840,105	253,807
Emergency Communication	10,162,288	10,231,570	9,166,320	1,065,250
Housing	1,955,616	2,216,094	2,069,296	146,798
Community and Human Services	16,627,811	18,104,217	17,249,990	854,227
Other Health Services	1,303,161	1,793,736	1,793,735	1
Health	9,129,035	9,170,201	9,071,501	98,700
Office of Historic Alexandria	4,178,078	4,956,657	4,820,111	136,546
Recreation and Cultural Activities	28,351,699	28,906,906	27,212,464	1,694,442
Library	253,162	253,162	38	253,125
ACPS (Debt Service)	32,220,940	33,338,940	32,220,940	1,118,000
Other Educational Activities	15,570	15,570	15,570	-
Non Departmental (including debt service)	43,447,392	56,520,601	69,729,338	(13,208,737)
	467,173,356	499,261,933	490,267,598	8,994,335
Other Financing Sources (Uses):				
Transfers In	12,466,505	13,238,140	15,045,709	1,807,569
Transfers Out	(138,514,132)	(150,930,220)	(149,290,681)	1,639,539
Transfers Out - Component Units	(267,022,866)	(267,022,866)	(267,022,866)	-
	(393,070,493)	(404,714,946)	(401,267,838)	3,447,108
Net Change in Fund Balance.	(3,842,287)	(47,545,317)	(21,137,992)	26,407,325
Fund Balances at Beginning of Year	223,690,191	223,690,191	223,690,191	-
Increase/(Decrease) in Reserve for Inventory	-	(37,374)	(37,374)	-
FUND BALANCES AT END OF YEAR	$ 219,847,904	$ 176,107,500	$ 202,514,825	$ 26,407,325

(See Accompanying Independent Auditors' Report and Notes to Schedules)

CITY OF ALEXANDRIA, VIRGINIA
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

EXHIBIT XIV

	Original Budget	Budget as Amended	Actual	Variance From Amended Budget Over (Under)
Revenues:				
General Property Taxes	$ 1,749,250	$ 1,749,250	$ 1,720,931	$ (28,319)
Other Local Taxes	7,901,000	7,901,000	7,695,570	(205,430)
Permits, Fees and Licenses	11,628,940	11,628,940	8,926,754	(2,702,186)
Use of Money and Property	760,006	760,006	1,389,467	629,461
Charges for Services	55,448,162	55,540,336	42,420,231	(13,120,105)
Intergovernmental Revenues	112,711,532	115,692,475	53,114,444	(62,578,031)
Miscellaneous	21,740,386	22,479,909	7,059,988	(15,419,921)
Total Revenues	211,939,276	215,751,916	122,327,385	(93,424,531)
Other Financing Sources:				
Transfers In	106,877,418	106,885,361	111,598,479	4,713,117
Total Other Financing Sources	106,877,418	106,885,361	111,598,479	4,713,117
Total Revenues and Other Financing Sources	318,816,694	322,637,277	233,925,864	(88,711,413)
Expenditures:				
City Manager's Office	50,123	(4)	(4)	-
Commonwealth's Attorney	1,275,914	1,375,669	378,638	997,032
Sheriff	583,537	582,282	365,794	216,488
Clerk of Courts	105,349	197,523	305,756	(108,232)
Other Correctional and Judicial Activities	846,288	869,291	769,725	99,566
Court Services	326,547	326,547	162,228	164,319
Human Rights	44,647	44,647	32,090	12,557
Internal Audit	85,088	1,255	1,255	-
Information Technology Services	724,882	724,882	741,849	(16,967)
Finance	1,006,113	1,017,363	855,857	161506.28
Planning and Zoning	685,465	685,465	335,549	349,916
Economic Development	280,000	775,000	495,000	280,000
General Services	222,252	263,852	199,492	64,360
Transportation and Environmental Services	42,987,253	45,168,956	32,091,996	13,076,960
Fire	9,880,207	9,956,128	3,483,263	6,472,865
Police	2,170,515	2,178,784	1,523,945	654,839
Emergency Communications	230,027	230,027	214,001	16,026
Building and Fire Code Administration	8,910,876	9,070,053	6,822,180	2,247,872
Office of Housing	12,816,947	17,791,360	5,366,264	12,425,096
Community and Human Services	98,656,631	98,657,153	91,885,270	6,771,883
Alexandria Health	463,486	343,604	140,966	202,638
Historic Alexandria	1,234,443	1,485,095	907,616	577,479
Recreation and Cultural Activities	3,833,003	4,150,996	2,246,375	1,904,621
Library	73,503	73,503	73,503	-
Non-Departmental	9,774,141.95	11,216,860	7,674,337	3,542,522
Total Expenditures	197,267,237	207,186,291	157,072,944	50,113,347
Other Financing Sources/Uses:				
Transfers Out	78,813,728	78,799,116	69,163,414	9,635,702
Total Other Financing Uses	78,813,728	78,799,116	69,163,414	9,635,702
Total Expenditures and Other Financing Uses	276,080,965	285,985,407	226,236,358	59,749,049
Revenues and Other Financing Sources Over/ (Under) Expenditures and Other Financing Uses	42,735,728	36,651,870	7,689,506	28,962,364
Fund Balance at Beginning of Year	137,184,697	137,184,697	137,184,697	-
FUND BALANCE AT END OF YEAR	$ 179,920,425	$ 173,836,567	$ 144,874,203	$ 28,962,364

(See Accompanying Independent Auditor's Report and Notes to Schedules)

CITY OF ALEXANDRIA, VIRGINIA
Budgetary Comparison Schedule
Alexandria Transit Company
For the Fiscal Year Ended June 30, 2024

EXHIBIT XV

	Original Budget	Budget as Amended	Actual	Variance from Amended Budget - Positive (Negative)
Revenues:				
Charges for Services	$ 250,000	$ 250,000	$ 229,908	$ (20,092)
Intergovernmental Revenues	15,571,581	17,354,158	7,017,429	(10,336,729)
Miscellaneous	60,000	60,000	148,164	88,164
Total Revenues	15,881,581	17,664,158	7,395,501	(10,268,657)
Expenditures:				
Personnel Services	34,283,470	37,181,016	30,304,903	6,876,113
Contractual Services	1,456,178	1,477,298	1,491,448	(14,150)
Materials and Supplies	4,748,490	4,292,214	4,153,745	138,469
Other Charges	5,164,178	5,196,885	1,305,710	3,891,175
Total Expenditures	45,652,316	48,147,413	37,255,806	10,891,607
Other Financing Sources (Uses):				
Transfers In	29,774,985	30,414,208	30,248,594	(165,614)
Total Other Financing Sources (Uses)	29,774,985	30,414,208	30,248,594	(165,614)
Change in Fund Balance	4,250	(69,047)	388,289	457,336
Fund Balance at Beginning of Year	828	828	1,151,591	-
FUND BALANCE AT END OF YEAR	$ 5,078	$ (68,219)	$ 1,539,880	$ 1,608,099

(See Accompanying Independent Auditors' Report and Notes to Schedules)

(1) SUMMARY OF SIGNIFICANT BUDGET POLICIES

The City Council annually adopts budgets for the General Fund and Special Revenue Fund of the primary government. All appropriations are legally controlled at the departmental level for the General Fund and Special Revenue Fund. On May 4, 2022, the City Council approved the original adopted budget and approved multiple budget amendments reflected in the required supplementary information.

The budgets are integrated into the accounting system, and the budgetary data, as presented in the required supplementary information for all funds with annual budgets, compare the revenues and expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the accompanying Budgetary Comparison Schedules for the General and Special Revenue Funds present actual expenditures in accordance with U.S. generally accepted accounting principles on a basis consistent with the legally adopted budgets, as amended. See Table XIII for the schedule of departments' expenditure detail by function. A reconciliation of the perspective difference for reporting Expenditures and Other Financing Uses in the General Fund relates to how transfers to component units are recorded in each statement and includes the following:

General Fund

Budget Statement Title	Budget Statemen Amount	Adjustment for Transfer to Component Unit (Note 10)	Exhibit IV	Exhibit IV Title
Other Educational Activities	$ 15,570	$ 258,686,800	$ 258,686,800	Education
Library Transfer	-	8,336,066	8,336,066	Library
Other Expenditures (not listed separately)	490,267,598	-	490,267,598	Other Expenditures (not listed separately)
Total Expenditures	490,283,168	267,022,866	757,290,464	Total Expenditures
Transfers Out-Component Units	267,022,866	(267,022,866)	-	None
Operating Transfers Out	149,290,681	-	149,290,681	Operating Transfers Out
Other Financing	(15,045,709)	-	(15,045,709)	Other Expenditures (not listed separately)
Total Financing (Sources) Uses	$ 401,267,838	$ (267,022,866)	$ 134,244,972	Total Financing Uses

Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension Schedule of Employer Contributions
For Fiscal Year Ended June 30, 2024

Exhibit XVII

PENSION SCHEDULE OF EMPLOYER CONTRIBUTIONS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Supplemental Plan										
Actuarial Determined Contribution	$ 7,459,723	$ 8,126,230	$ 8,009,761	$ 8,363,413	$ 8,866,569	$ 10,743,083	$ 9,509,690	$ 9,378,597	$ 9,193,893	$ 7,548,253
Actual Contribution Amounts	7,070,292	7,328,038	7,208,914	9,388,833	8,627,444	8,622,481	8,148,716	8,006,825	7,586,006	7,173,760
Contribution Deficiency (Excess)	389,431	798,192	800,847	(1,025,420)	239,125	2,120,602	1,360,974	1,371,772	1,607,887	374,493
Percentage of ADC Contributed	94.78%	90.18%	90.00%	112.26%	97.30%	80.26%	85.69%	85.37%	82.51%	95.04%
Covered Payroll	169,900,003	157,239,760	154,127,839	155,989,640	151,867,063	147,362,907	142,843,740	139,044,952	139,914,668	136,374,392
Contribution as a Percentage of Covered Payroll	4.16%	4.66%	4.68%	6.02%	5.68%	5.85%	5.70%	5.76%	5.42%	5.26%
Pension Plan for Fire and Police*										
Actuarial Determined Contribution	0	0	290,776	548,040	563,948	652,038	868,570	908,621	1,057,539	1,158,624
Actual Contribution Amounts	850,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,713,744	1,723,744	1,728,313
Contribution Deficiency (Excess)	(850,000)	(1,700,000)	(1,409,224)	(1,151,960)	(1,136,052)	(1,047,962)	(831,430)	(805,123)	(666,205)	(569,689)
Percentage of ADC Contributed	N/A	N/A	584.64%	310.20%	301.45%	260.72%	195.72%	188.61%	163.00%	149.17%
Covered Payroll	-	-	-	-	-	-	-	-	-	-
Contribution as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Firefighters and Police Pension										
Actuarial Determined Contribution	18,420,022	16,583,936	15,463,758	15,772,143	15,117,075	14,018,911	13,620,056	9,903,407	9,384,623	9,273,326
Actual Contribution Amounts	18,807,613	17,518,490	15,464,667	14,784,520	14,681,733	11,099,665	10,436,128	11,232,823	11,119,553	9,933,001
Contribution Deficiency (Excess)	(387,591)	(934,554)	(909)	987,623	435,342	2,919,246	3,183,928	(1,329,416)	(1,734,930)	(659,675)
Percentage of ADC Contributed	102.10%	105.64%	100.01%	93.74%	97.12%	79.18%	76.62%	113.42%	118.49%	107.11%
Covered Payroll	50,749,692	46,318,902	44,226,890	45,242,944	42,665,383	40,168,637	39,649,421	36,973,064	35,671,448	33,810,854
Contribution as a Percentage of Covered Payroll	37.06%	37.82%	34.97%	32.68%	34.41%	27.63%	26.32%	30.38%	31.17%	29.38%
Firefighters and Police Disability										
Actuarial Determined Contribution	830,543	424,680	446,429	569,453	719,937	1,014,585	1,834,550	4,449,438	4,638,338	4,618,019
Actual Contribution Amounts	788,877	826,751	935,081	1,476,099	2,145,826	5,077,662	6,219,316	5,667,369	4,734,529	2,448,696
Contribution Deficiency (Excess)	41,666	(402,071)	(488,652)	(906,646)	(1,425,889)	(4,063,077)	(4,384,766)	(1,217,931)	(96,191)	2,169,323
Percentage of ADC Contributed	94.98%	194.68%	209.46%	259.21%	298.06%	500.47%	339.01%	127.37%	102.07%	53.02%
Covered Payroll	50,749,692	46,318,902	44,226,890	45,242,944	42,665,383	40,168,637	39,649,421	36,973,064	35,671,448	33,810,854
Contribution as a Percentage of Covered Payroll	1.55%	1.78%	2.11%	3.26%	5.03%	12.64%	15.69%	15.33%	13.27%	7.24%
VRS										
Actuarial Determined Contribution	17,410,445	14,289,884	12,975,113	13,010,172	10,506,432	9,890,834	9,983,362	9,974,720	12,285,419	14,070,398
Actual Contribution Amounts	17,410,445	14,289,884	12,975,113	13,010,172	10,506,432	9,890,834	9,983,362	9,974,720	12,285,419	14,070,398
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
Percentage of ADC Contributed	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Covered Payroll	$ 158,276,770	$ 144,051,251	$ 144,874,214	$ 141,098,814	$ 134,462,348	$ 131,605,713	$ 126,449,341	$ 125,437,843	$ 125,890,250	$ 125,890,250
Contribution as a Percentage of Covered Payroll	11.00%	9.92%	8.96%	9.22%	7.81%	7.52%	7.90%	7.95%	9.76%	11.18%

Actuarially determined contributions and covered-employee payrolls are calculated as of June 30, one year prior to the fiscal year in which contributions are reported.

* The Pension Plan for Fire and Police is a closed plan with no active participation.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension Schedule of Employer Contributions
For Fiscal Year Ended June 30, 2024

Exhibit XVII

Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Fiscal Years

Firefighters & Police Officers Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ 10,109,500.00	$ 10,347,474.00	$ 9,878,313	$ 9,483,217	$ 9,168,309	$ 9,620,841	$ 8,390,462	$ 6,180,741	$ 5,671,076	$ 5,526,902
Interest	32,580,050	30,428,052	28,772,498	27,927,795	26,764,399	25,379,639	24,192,874	23,064,895	21,948,491	20,769,869
Changes in benefit terms			-	-	-	-	-	-	-	-
Difference between expected and actual experience	7,015,043	5,042,981	(5,537,423)	(1,961,199)	2,036,689	(1,715,696)	752,396	(546,278)	1,386,820	(978,630)
Changes in assumptions	6,345,555		13,579,116	-	-	-	19,234,689	-	-	-
Benefit payments, including refunds	(23,827,067)	(20,264,508)	(19,028,148)	(18,090,708)	(17,256,343)	(16,363,487)	(13,965,535)	(12,763,693)	(12,633,775)	(11,610,344)
Net Change in Total Pension Liability	32,223,081	25,553,999	27,664,356	17,359,105	20,713,054	16,921,297	38,604,886	15,935,665	16,372,612	13,707,797
Total Pension Liability - Beginning of Year	470,916,308	445,362,309	417,697,953	400,338,848	379,625,794	362,704,497	324,099,611	308,163,946	291,791,334	278,083,537
Total Pension Liability - End of Year	503,139,389	470,916,308	445,362,309	417,697,953	400,338,848	379,625,794	362,704,497	324,099,611	308,163,946	291,791,334
Plan Fiduciary Net Position										
Contributions - employer	18,807,613	17,518,490	15,464,667	14,784,520	14,681,733	11,099,665	10,436,128	11,232,823	11,119,553	9,933,001
Contributions - employee	4,063,085	3,736,832	3,250,033	3,240,297	3,806,982	4,221,569	2,745,051	2,914,101	2,598,821	2,381,830
Net investment income	26,542,648	20,061,502	(49,882,723)	102,620,858	6,335,095	22,614,416	24,196,919	32,888,556	3,513,529	6,726,117
Benefit payments, including refunds	(23,827,067)	(20,264,508)	(19,028,148)	(18,090,708)	(17,256,343)	(16,363,487)	(13,965,535)	(12,763,693)	(12,633,775)	(11,610,344)
Administration Expenses	(456,149)	(343,733)	(330,130)	(325,054)	(391,550)	(368,635)	(381,934)	(198,337)	(206,917)	(278,201)
Net Change in Plan Fiduciary Net Position	25,130,130	20,708,583	(50,526,301)	102,229,913	7,175,917	21,203,528	23,030,629	34,073,450	4,391,211	7,152,403
Plan Fiduciary Net Position - Beginning of Year	397,739,687	377,031,104	427,557,405	325,327,492	318,151,575	296,948,047	273,917,418	239,843,968	235,452,757	228,300,354
Plan Fiduciary Net Position - End of Year	422,869,817	397,739,687	377,031,104	427,557,405	325,327,492	318,151,575	296,948,047	273,917,418	239,843,968	235,452,757
Net Pension Liability - End of Year	$ 80,269,572	$ 73,176,621	$ 68,331,205	$ (9,859,452)	$ 75,011,356	$ 61,474,219	$ 65,756,450	$ 50,182,193	$ 68,319,978	$ 56,338,577
Plan Fiduciary Net Position as a percentage of Total Pension Liability	84.0%	84.5%	84.7%	102.4%	81.3%	83.8%	81.9%	84.5%	77.8%	80.7%
Covered Payroll	$ 50,749,692	$ 46,318,902	$ 44,226,890	$ 45,242,944	$ 42,665,383	$ 40,168,637	$ 39,649,421	$ 36,973,064	$ 35,671,448	$ 33,810,854
Net Pension Liability as a percentage of Covered Payroll	158.2%	158.0%	154.5%	-21.8%	175.8%	153.0%	165.8%	135.7%	191.5%	166.6%

Information is only available for the current and previous fiscal years. Future years will be added to the schedule.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension
For Fiscal Year Ended June 30, 2024

Exhibit XVII (Continued)

Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Fiscal Years

Firefighters & Police Officers Disablity Pension Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ 364,922	$ 644,524	$ 622,182	$ 609,396	$ 581,315	$ 544,069	$ 543,661	$ 2,885,911	$ 2,679,963	$ 2,620,753
Interest	2,320,727	1,977,896	2,097,641	2,189,249	2,220,796	2,176,646	2,512,564	2,875,585	2,845,545	2,872,200
Changes in benefit terms			-	-	-	-	-	-	-	-
Difference between expected and actual experience	(868,709)	(1,578,133)	(700,776)	(401,271)	637,187	(1,364,824)	(5,049,132)	(2,851,393)	(3,385,398)	409,917
Changes in assumptions	6,598,020		666,836	-	-	(3,853,427)	1,707,637	-	-	-
Benefit payments, including refunds	(3,120,070)	(2,870,302)	(3,003,579)	(2,948,216)	(2,813,258)	(2,717,231)	(2,559,855)	(2,488,687)	(2,470,684)	(2,571,831)
Net Change in Total Pension Liability	5,294,890	(1,826,015)	(317,696)	(550,842)	626,040	(5,214,767)	(2,845,125)	421,416	(330,574)	3,331,039
Total Pension Liability - Beginning of Year	29,821,477	31,647,492	31,965,188	32,516,030	31,889,990	37,104,757	39,949,882	39,528,466	39,859,040	36,528,001
Total Pension Liability - End of Year	35,116,367	29,821,477	31,647,492	31,965,188	32,516,030	31,889,990	37,104,757	39,949,882	39,528,466	39,859,040
Plan Fiduciary Net Position										
Contributions - employer	788,877	826,751	935,081	1,476,099	2,145,826	5,077,662	6,219,316	5,667,369	4,734,529	2,448,696
Contributions - employee	214,530	216,349	206,909	216,110	232,849	218,502	225,640	248,035	243,351	246,551
Net investment income	2,891,320	1,040,814	(6,965,437)	6,332,970	855,187	2,663,504	2,128,875	2,784,003	263,792	452,996
Benefit payments, including refunds	(3,120,070)	(2,870,302)	(3,003,579)	(2,948,216)	(2,813,258)	(2,717,231)	(2,559,855)	(2,488,687)	(2,470,684)	(2,571,831)
Administration Expenses	(34,568)	(92,461)	(72,652)	(29,375)	(4,876)	(4,896)	(2,467)	(15,277)	(77)	(15,876)
Net Change in Plan Fiduciary Net Position	740,089	(878,849)	(8,899,678)	5,047,588	415,728	5,237,541	6,011,509	6,195,443	2,770,911	560,536
Plan Fiduciary Net Position - Beginning of Year	32,192,388	33,071,237	41,970,915	36,923,327	36,507,599	31,270,058	25,258,549	19,063,106	16,292,195	15,731,659
Plan Fiduciary Net Position - End of Year	32,932,477	32,192,388	33,071,237	41,970,915	36,923,327	36,507,599	31,270,058	25,258,549	19,063,106	16,292,195
Net Pension Liability - End of Year	$ 2,183,890	$ (2,370,911)	$ (1,423,745)	$ (10,005,727)	$ (4,407,297)	$ (4,617,609)	$ 5,834,699	$ 14,691,333	$ 20,465,360	$ 23,566,845
Plan Fiduciary Net Position as a percentage of Total Pension Liability	93.8%	108.0%	104.5%	131.3%	113.6%	114.5%	84.3%	63.2%	48.2%	40.9%
Covered Payroll	$ 50,749,692	$ 46,318,902	$ 44,226,890	$ 45,242,944	$ 42,665,383	$ 40,168,637	$ 39,649,421	$ 36,973,064	$ 35,671,448	$ 33,810,854
Net Pension Liability as a percentage of Covered Payroll	4.3%	-5.1%	-3.2%	-22.1%	-10.3%	-11.5%	14.7%	39.7%	57.4%	69.7%

Information is only available for the current and previous fiscal years. Future years will be added to the schedule.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension
For Fiscal Year Ended June 30, 2024

Exhibit XVII
(Continued)

Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Fiscal Years

Pension Plan for Firefighters & Police Officers

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	439,796	517,437	617,211	674,734	1,006,234	1,081,231	1,204,224	1,399,445	1,534,443	1,664,966
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(165,521)	(1,170,373)	191,706	(774,025)	332,248	(643,998)	(860,707)	(584,816)	(425,528)	(95,467)
Changes in assumptions	(371,551)	-	-	1,660,222	-	-	1,282,305	-	-	-
Benefit payments, including refunds	(2,197,975)	(2,199,345)	(2,394,031)	(2,623,916)	(2,841,992)	(2,983,088)	(3,056,201)	(3,298,973)	(3,506,496)	(3,715,881)
Net Change in Total Pension Liability	(2,295,251)	(2,852,281)	(1,585,114)	(1,062,985)	(1,503,510)	(2,545,855)	(1,430,379)	(2,484,344)	(2,397,581)	(2,146,382)
Total Pension Liability - Beginning of Year	14,192,216	17,044,497	18,629,611	19,692,596	21,196,106	23,741,961	25,172,340	27,656,684	30,054,265	32,200,647
Total Pension Liability - End of Year	11,896,965	14,192,216	17,044,497	18,629,611	19,692,596	21,196,106	23,741,961	25,172,340	27,656,684	30,054,265
Plan Fiduciary Net Position										
Contributions - employer	850,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,713,744	1,723,744	1,728,313
Contributions - employee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net investment income	629,050	557,491	498,086	574,501	592,045	619,900	706,055	821,797	893,641	920,708
Benefit payments, including refunds	(2,197,975)	(2,199,345)	(2,394,031)	(2,623,916)	(2,841,992)	(2,983,088)	(3,056,201)	(3,298,973)	(3,506,496)	(3,715,881)
Administration Expenses	(28,116)	(23,011)	(24,170)	(22,725)	(25,633)	(13,678)	(21,933)	(23,566)	(27,971)	(18,583)
Net Change in Plan Fiduciary Net Position	(747,041)	35,135	(220,115)	(372,140)	(575,580)	(676,866)	(672,079)	(786,998)	(917,082)	(1,085,443)
Plan Fiduciary Net Position - Beginning of Year	17,660,121	17,624,986	17,845,101	18,217,241	18,792,821	19,469,687	20,141,766	20,928,764	21,845,846	22,931,289
Plan Fiduciary Net Position - End of Year	16,913,080	17,660,121	17,624,986	17,845,101	18,217,241	18,792,821	19,469,687	20,141,766	20,928,764	21,845,846
Net Pension Liability - End of Year	$ (5,016,115)	$ (3,467,905)	$ (580,489)	$ 784,510	$ 1,475,355	$ 2,403,285	$ 4,272,274	$ 5,030,574	$ 6,727,920	$ 8,208,419
Plan Fiduciary Net Position as a percentage of Total Pension Liability	142.2%	124.4%	103.4%	95.8%	92.5%	88.7%	82.0%	80.0%	75.7%	72.7%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Information is only available for the current and previous fiscal years. Future years will be added to the schedule.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension
For Fiscal Year Ended June 30, 2024

Exhibit XVII
(Continued)

Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Fiscal Years

Supplemental Retirement Plan

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ 5,381,383	$ 4,880,444	$ 4,668,118	$ 4,484,408	$ 4,456,529	$ 4,300,104	$ 4,561,409	$ 4,429,736	$ 4,353,655	$ 4,512,088
Interest	13,669,232	12,612,092	12,198,565	11,749,210	11,257,622	10,855,794	11,093,766	11,710,854	11,626,797	10,773,145
Changes in benefit terms			-	-	(221,996)	(10,649,964)	(7,321,279)	-	-	-
Difference between expected and actual experience	5,391,265	(599,396)	650,468	706,796	211,707	8,221,593	5,495,455	1,431,699	4,866,212	2,957,767
Changes in assumptions	3,130,460		5,421,196	-	-	-	3,537,513	-	10,625,401	-
Benefit payments, including refunds	(11,124,006)	(10,592,418)	(10,121,854)	(9,119,904)	(9,722,181)	(9,406,431)	(23,092,292)	(19,026,570)	(13,723,857)	(14,043,843)
Net Change in Total Pension Liability	16,448,334	6,300,722	12,816,493	7,820,510	5,981,681	3,321,096	(5,725,428)	(1,454,281)	17,748,208	4,199,157
Total Pension Liability - Beginning of Year	194,075,210	187,774,488	174,957,995	167,137,485	161,155,804	157,834,708	163,560,136	165,014,417	147,266,209	143,067,052
Total Pension Liability - End of Year	210,523,544	194,075,210	187,774,488	174,957,995	167,137,485	161,155,804	157,834,708	163,560,136	165,014,417	147,266,209
Plan Fiduciary Net Position										
Contributions - employer	7,070,292	7,328,038	7,208,914	9,388,833	8,627,444	8,622,481	8,148,716	8,006,825	7,586,006	7,173,760
Contributions - employee	2,391,959	2,226,859	1,845,825	1,769,665	1,640,659	1,352,861	1,140,415	1,070,814	892,335	756,101
Net investment income	15,288,036	8,836,743	(22,093,805)	45,314,976	5,577,321	8,889,658	13,822,092	18,031,871	895,078	5,922,932
Benefit payments, including refunds	(11,124,006)	(10,592,418)	(10,121,854)	(9,119,904)	(9,722,181)	(9,406,431)	(23,092,292)	(19,026,570)	(13,723,857)	(14,043,843)
Administration Expenses	(1,276,781)	(972,104)	(945,741)	(978,590)	(994,031)	(1,062,762)	(1,009,780)	(665,349)	(895,060)	(896,419)
Net Change in Plan Fiduciary Net Position	12,349,500	6,827,118	(24,106,661)	46,374,980	5,129,212	8,395,807	(990,849)	7,417,591	(5,245,498)	(1,087,469)
Plan Fiduciary Net Position - Beginning of Year	181,538,479	174,711,361	198,818,022	152,443,042	147,313,830	138,918,023	139,908,872	132,491,281	137,736,779	138,824,248
Plan Fiduciary Net Position - End of Year	193,887,979	181,538,479	174,711,361	198,818,022	152,443,042	147,313,830	138,918,023	139,908,872	132,491,281	137,736,779
Net Pension Liability - End of Year	$ 16,635,565	$ 12,536,731	$ 13,063,127	$ (23,860,027)	$ 14,694,443	$ 13,841,974	$ 18,916,685	$ 23,651,264	$ 32,523,136	$ 9,529,430
Plan Fiduciary Net Position as a percentage of Total Pension Liability	92.1%	93.5%	93.0%	113.6%	91.2%	91.4%	88.0%	85.5%	80.3%	93.5%
Covered Payroll	$ 169,900,003	$ 157,239,760	$ 154,127,839	$ 155,989,640	$ 151,867,063	$ 147,362,907	$ 142,843,740	$ 139,044,952	$ 139,914,668	$ 136,374,392
Net Pension Liability as a percentage of Covered Payroll	9.8%	8.0%	8.5%	-15.3%	9.7%	9.4%	13.2%	17.0%	23.2%	7.0%

Information is only available for the current and previous fiscal years. Future years will be added to the schedule.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension
For Fiscal Year Ended June 30, 2024

Exhibit XVII (Continued)

Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Fiscal Years

VRS

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability									
Service Cost	$ 14,137,998	$ 13,090,352	$ 13,299,007	$ 12,301,089	$ 11,614,379	$ 11,545,603	$ 11,562,356	$ 11,832,548	$ 12,256,191
Interest	49,880,739	48,491,234	43,694,605	42,394,263	40,744,225	39,243,929	38,089,007	36,704,090	35,571,142
Changes in benefit terms	-	-	5,911,527	-	-	-	-	-	55,097
Difference between expected and actual experience	11,914,562	(4,070,706)	1,640,227	(1,331,112)	7,417,578	1,192,221	(3,765,626)	(2,371,962)	(7,166,675)
Changes in assumptions	-	-	29,186,885	-	18,439,222	-	(539,132)	-	-
Benefit payments, including refunds	(39,259,800)	(36,686,751)	(34,836,101)	(33,363,733)	(31,061,479)	(30,036,440)	(27,658,980)	(25,101,326)	(23,960,243)
Net Change in Total Pension Liability	36,673,499	20,824,129	58,896,150	20,000,507	47,153,925	21,945,313	17,687,625	21,063,350	16,755,512
Total Pension Liability - Beginning of Year	744,465,806	723,641,677	664,745,527	644,745,020	597,591,095	575,645,782	557,958,157	536,894,807	520,139,295
Total Pension Liability - End of Year	781,139,305	744,465,806	723,641,677	664,745,527	644,745,020	597,591,095	575,645,782	557,958,157	536,894,807
Plan Fiduciary Net Position									
Contributions - employer	15,802,295	12,974,603	13,003,347	10,636,082	9,883,188	9,995,019	9,969,716	12,331,063	12,232,407
Contributions - employee	7,253,610	6,863,568	6,746,952	6,894,324	6,610,813	6,457,201	6,513,944	6,452,307	6,272,097
Net investment income	42,144,751	(534,757)	147,643,324	10,450,641	34,895,658	37,221,708	55,894,128	7,969,523	20,375,167
Benefit payments, including refunds	(39,259,800)	(36,686,751)	(34,836,101)	(33,363,733)	(31,061,479)	(30,036,440)	(27,658,980)	(25,101,326)	(23,960,243)
Other	1,643	(129,560)	(85,469)	(15,985)	(24,191)	(32,938)	(49,590)	(3,392)	(4,303)
Administration Expenses	(423,611)	(422,918)	(371,929)	(361,356)	(352,518)	(325,786)	(326,971)	(286,988)	(280,179)
Net Change in Plan Fiduciary Net Position	25,518,888	(17,935,815)	132,100,124	(5,760,027)	19,951,471	23,278,764	44,342,247	1,361,187	14,634,946
Plan Fiduciary Net Position - Beginning of Year	659,039,889	676,975,704	544,875,580	550,635,607	530,684,136	507,405,372	463,063,125	461,701,938	447,066,992
Plan Fiduciary Net Position - End of Year	684,558,777	659,039,889	676,975,704	544,875,580	550,635,607	530,684,136	507,405,372	463,063,125	461,701,938
Net Pension Liability - End of Year	$ 96,580,528	$ 85,425,917	$ 46,665,973	$ 119,869,947	$ 94,109,413	$ 66,906,959	$ 68,240,410	$ 94,895,032	$ 75,192,869
Plan Fiduciary Net Position as a percentage of Total Pension Liability	87.6%	88.5%	93.6%	82.0%	85.4%	88.8%	88.1%	83.0%	86.0%
Covered Payroll	$ 158,276,770	$ 144,051,251	$ 144,874,214	$ 141,098,814	$ 134,462,348	$ 131,605,713	$ 126,449,341	$ 125,437,843	$ 125,890,250
Net Pension Liability as a percentage of Covered Payroll	61.0%	59.3%	32.2%	85.0%	70.0%	50.8%	54.0%	75.7%	59.7%

Information for VRS is only available for current and previous fiscal years. Future years will be added to the schedule.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension
For Fiscal Year Ended June 30, 2024

Exhibit XVII
(Continued)

Assumed Rate of Return for Firefighters & Police Officers Pension Plan also applies to Firefighters and Police Officers Disability Pension Plan

Money-Weighted Rate of Return

Last Ten Fiscal Years

	Firefighters & Police Officers Pension Plan**	Supplemental Retirement Plan	Pension Plan for Firefighters & Police Officers
2015	3.03%	4.73%	4.11%
2016	1.14%	0.37%	5.31%
2017	13.71%	14.39%	5.13%
2018	8.66%	10.31%	4.87%
2019	7.87%	6.55%	4.60%
2020	1.80%	3.59%	4.30%
2021	29.93%	29.61%	4.03%
2022	-11.95%	-10.88%	3.80%
2023	5.35%	5.98%	3.57%
2024	6.82%	7.74%	3.46%

**Money-weighted Rate of Return for Firefighters & Police Officers Pension Plan also applies to Firefighters and Police Officers Disability Pension Plan
Future years will be added as they become available.

Notes to the Required Supplementary Information for the City of Alexandria Pension Plans for the Year Ended June 30, 2024

Firefighters and Police Officers Pension Plan, Basic Plan and Firefighters and Police Officers Pension Plan, Disability Plan

The actuarial assumptions for the Firefighters and Police Officers Basic and Disability Plans were updated to reflect the actuarial experience study for the period July 1, 2017 through June 30, 2023. As a result of the experience study the following assumptions were changed: mortality, disability rates, termination rates, retirement rates, salary increase, and administrative expenses.
.

Supplemental Retirement Plan

The actuarial assumptions for the Supplemental Retirement Plan were updated to reflect the actuarial experience study for the period July 1, 2015 through June 30, 2023. As a result of the experience study the following assumptions were changed: mortality, disability rates, termination rates, retirement rates, salary increase, and form of payment.

Pension Plan for Firefighters and Police Officers

The actuarial assumptions for the Pension Plan for Firefighters and Police Officers were also updated to reflect the results of the experience study which resulted in a change to the mortality table. The actuarial assumptions reflect the actuary's understanding of the likely future experience of the Plan.

Virginia Retirement System (VRS) Pension Plan

There were no changes to the Virginia Retirement System (VRS) Plan since the prior actuarial valuation.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension
For Fiscal Year Ended June 30, 2024

Exhibit XVII
(Continued)

Schedule of Changes in Net OPEB Liability and Related Ratios

Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service Cost	$ 2,758,068	$ 2,411,043	$ 2,928,023	$ 2,889,520	$ 3,239,204	$ 4,701,991	$ 4,814,967	$ 3,803,579
Interest	8,965,226	8,797,533	9,598,323	9,337,427	9,595,477	9,905,114	9,470,934	8,232,053
Changes in benefit terms	-	-	-	-	-	-	4,587,884	-
Difference between expected and actual experience	(981,432)	(88,275)	(8,128,626)	(721,530)	(4,162,077)	(5,113,882)	244,419	-
Changes in assumptions	3,473	(1,738,469)	(3,579,597)	(158,892)	(10,276,267)	7,485,481	5,078,954	-
Benefit payments, including refunds	(7,391,123)	(6,755,574)	(7,920,370)	(7,365,734)	(6,624,477)	(5,732,739)	(6,305,642)	(6,298,159)
Net Change in Total Pension Liability	3,354,212	2,626,258	(7,102,247)	3,980,791	(8,228,140)	11,245,965	17,891,516	5,737,473
Total OPEB Liability - Beginning of Year	135,096,869	132,470,611	139,572,858	135,592,067	143,820,207	132,574,242	114,682,726	108,945,253
Total OPEB Liability - End of Year	138,451,081	135,096,869	132,470,611	139,572,858	135,592,067	143,820,207	132,574,242	114,682,726
Plan Fiduciary Net Position								
Contributions - employer	9,246,123	7,630,574	13,670,370	8,504,564	10,324,477	11,932,739	12,205,642	16,398,159
Net investment income	12,998,530	8,683,205	(16,173,784)	29,200,847	2,827,980	4,953,783	4,427,840	6,357,091
Benefit payments, including refunds	(7,391,123)	(6,755,574)	(7,920,370)	(7,365,734)	(6,624,477)	(5,732,739)	(6,305,642)	(6,298,159)
Administration Expenses	(47,926)	(55,034)	(41,251)	(37,973)	(30,149)	(53,715)	(45,886)	(16)
Net Change in Plan Fiduciary Net Position	14,805,604	9,503,171	(10,465,035)	30,301,704	6,497,831	11,100,068	10,281,954	16,457,075
Plan Fiduciary Net Position - Beginning of Year	114,227,510	104,724,339	115,189,374	84,887,670	78,389,839	67,289,771	57,007,817	40,550,742
Plan Fiduciary Net Position - End of Year	129,033,114	114,227,510	104,724,339	115,189,374	84,887,670	78,389,839	67,289,771	57,007,817
Net OPEB Liability - End of Year	$ 9,417,967	$ 20,869,359	$ 27,746,272	$ 24,383,484	$ 50,704,397	$ 65,430,368	$ 65,284,471	$ 57,674,909
Plan Fiduciary Net Position as a percentage of Total OPEB Liability	93.2%	84.6%	79.1%	82.5%	62.6%	54.5%	50.8%	49.7%
Covered Payroll	$ 216,578,059	$ 187,189,210	$ 191,142,870	$ 185,548,765	$ 188,014,495	$ 175,843,626	$ 169,455,099	$ 167,129,788
Net OPEB Liability as a percentage of Covered Payroll	4.3%	11.1%	14.5%	13.1%	27.0%	37.2%	38.5%	34.5%

Information is only available for the fiscal years shown. Future years will continue to be added to the schedule.

CITY OF ALEXANDRIA, VIRGINIA
Required Supplementary Information
Pension
For Fiscal Year Ended June 30, 2024

Exhibit XVII
(Continued)

Schedule of OPEB Contributions

	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contributions (ADC)	$ 4,414,111	$ 5,624,709	$ 2,428,087	$ 3,550,219	$ 7,346,160	$ 8,513,816	$ 9,404,961	$ 12,898,197
Contributions related to the ADC	9,246,123	7,630,573	13,670,370	8,504,564	10,324,477	11,932,739	12,205,642	16,398,159
Contribution Excess relative to ADC	$ (4,832,012)	$ (2,005,864)	$ (11,242,283)	$ (4,954,345)	$ (2,978,317)	$ (3,418,923)	$ (2,800,681)	$ (3,499,962)
Covered Payroll	$ 216,578,059	$ 187,189,210	$ 191,142,870	$ 185,548,765	$ 188,014,495	$ 175,843,626	$ 169,455,099	$ 167,129,788
Contributions as a percentage of Covered Payroll	4.27%	4.08%	7.15%	4.58%	5.49%	6.79%	7.20%	9.81%

Future years will be added to the schedule as they become available.

Notes to the Required Supplementary Information for the City of Alexandria Other Post-Employment Benefits Trust Fund for the Year Ended June 30, 2024

Valuation Date	12/31/2023
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuations during the fiscal year.

Key Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method	Entry Age Normal
Asset valuation method	Four-year smoothed market
Amortization method	15-year layered level dollar closed as of 12/31/2023
Discount rate	6.75 percent for Regular OPEB and for Line of Duty OPEB
Healthcare Cost Trend Rates	
Regular OPEB	Medical, Non-Medicare:7.00 percent for 2024 grading down to 4.19 percent over 19 years Medicare: 5.4 percent for 2024 grading down to 4.19 percent over 19 years. Expenses: 5 percent per year
Line of Duty	Non-Medicare: 3.00 percent for 2024, 6.50 percent for 2025, then grading down to 4.25 percent over 7 years Medicare: 11.52 percent for 2024, then 6.23 percent for 2025 grading down to 4.25 percent over 8 years
Ultimate Salary Increase	2.75 percent

OPEB Money-Weighted Rate of Return
Last Ten Fiscal Years

2017	14.96%
2018	7.39%
2019	7.29%
2020	3.41%
2021	34.50%
2022	-13.90%
2023	9.51%
2024	10.54%

Future years will be added as they become available.

OTHER SUPPLEMENTARY INFORMATION

Custodial Funds

Custodial funds are used to provide accountability of client monies for which the City is custodian.

Human Services Special Welfare Account – This fund accounts for the current payments of supplemental security income for foster children.

Human Services Dedicated Account – This fund accounts for back payments of supplemental security income for foster children.

CITY OF ALEXANDRIA, VIRGINIA
Combining Statement of Fiduciary Net Position – Custodial Funds
June 30, 2024

	Human Services Special Welfare Account	Human Services Dedicated Account	Custodial Funds
ASSETS			
Cash & Investments w/Fiscal Agents	$ 130,083	$ 27,668	$ 157,751
Account Receivable	-	-	-
Total Assets	130,083	27,668	157,751
DEFERRED OUTFLOWS OF RESOURCES			
Total Deferred outflows of resources	-	-	-
LIABILITIES			
Total Accounts Payable and Accrued Liabilities	-	-	-
.			
DEFERRED INFLOWS OF RESOURCES			
Total Deferred inflows of resources	-	-	-
NET POSITION			
Net Position	$ 130,083	$ 27,668	$ 157,751

CITY OF ALEXANDRIA, VIRGINIA
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds
For the Fiscal Year Ended June 30, 2024

	Human Services Special Welfare Account	Human Services Dedicated Account	Custodial Funds
ADDITIONS			
Contributions:	$ 47,880	$ -	$ 47,880
Interest	-	13	13
Total Additions	47,880	13	47,893
DEDUCTIONS	-	-	-
Total Deductions	-	-	-
Net increase (decrease) in fiduciary net position	47,880	13	47,893
Net position, beginning of year	82,203	27,655	109,858
Net Position, end of year	$ 130,083	$ 27,668	$ 157,751

Special Revenue Funds

Housing – This fund accounts for the City's housing programs.

Sanitary Sewer – This fund accounts for the funding of sanitary sewer maintenance and construction.

Stormwater Utility – This fund is funded by a stormwater utility fee which was implemented in 2018. This fee replaces the dedicated real estate property tax in the Stormwater Management fund.

Stormwater Management Fund – This fund was established in FY 2011. It is funded by a dedicated real estate property tax rate of 0.5 cents per $100 of assessed value.

Potomac Yard Special Tax District – This fund accounts for funding for improvements in Potomac Yards, including the development of a metro rail station.

Northern Virginia Transportation Authority (NVTA) – This fund was established in FY 2014. It is funded by various state and local other taxes.

American Rescue Plan Act (ARPA) – This fund builds upon previously enacted COVID-19 aid measures. The source of funding is the American Rescue Plan Act adopted in March 2021.

Industrial Development Authority (IDA) – This fund accounts for IDA bond issuance fees and expenses.

Other Special Revenue – This fund accounts for grants and donations and other amounts that represent a percentage of special revenues.

CITY OF ALEXANDRIA, VIRGINIA
Combining Balance Sheet
Special Revenue Funds
As of June 30, 2024

	Housing	Sanitary Sewer	Storm water Utility	Potomac Yard	NVTA	ARPA	IDA	Other Special Revenue	Total Combined Special Revenue
ASSETS									
Cash and Cash Equivalents	$ 16,177,528	$ 26,565,814	$ 262,406	$ 48,746,649	$ 6,512,065	$ 1,379,782	$ 363,394	$ 51,079,680	$ 151,087,318
Cash and Investments with Fiscal Agents	-	-	-	-	-	-	-	-	-
Receivables, Net	-	-	9,223,387	817,586	1,277,937	-	-	3,069,310	14,388,220
Opioid Settlement Receivable	-	-	-	-	-	-	-	1,917,423	1,917,423
Due From Other Governments	-	-	-	-	-	-	-	7,598,270	7,598,270
Total Assets	16,177,528	26,565,814	9,485,793	49,564,235	7,790,002	1,379,782	363,394	63,664,683	174,991,231
LIABILITIES									
Accounts Payable	5,232	213,714	34,060	-	50,000	88,448	-	3,612,436	4,003,890
Accrued Wages	-	83,458	89,560	-	2,566	4,834	-	1,582,337	1,762,755
Unearned Revenue	-	-	-	5,538	-	1,286,234	363,394	10,807,442	12,462,608
Total Liabilities	5,232	297,172	123,620	5,538	52,566	1,379,516	363,394	16,002,215	18,229,253
Deferred Inflows	-	-	9,152,766	817,586	-	-	-	1,917,423	11,887,775
FUND BALANCES									
Restricted	16,172,296	-	-	-	-	266	-	8,909,968	25,082,530
Committed	-	26,268,642	209,407	48,741,111	7,737,436	-	-	36,835,077	119,791,673
Total Fund Balances	16,172,296	26,268,642	209,407	48,741,111	7,737,436	266	-	45,745,045	144,874,203
Total Liabilities and Fund Balances	$ 16,177,528	$ 26,565,814	$ 9,485,793	$ 49,564,235	$ 7,790,002	$ 1,379,782	$ 363,394	$ 63,664,683	$ 174,991,231

CITY OF ALEXANDRIA, VIRGINIA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Special Revenue Funds
For the Fiscal Year Ended June 30, 2024

	Housing	Sanitary Sewer	Storm Water Utility	Potomac Yard	NVTA	ARPA	IDA	Other Special Revenue	Total Combined Special Revenue
REVENUES									
General Property Taxes	$ -	$ -	$ -	$ 1,720,931	$ -	$ -	$ -	$ -	$ 1,720,931
Other Local Taxes	-	-	-	-	7,339,748	-	-	355,822	7,695,570
Permits, Fees, and Licenses	-	-	-	-	-	-	-	8,926,754	8,926,754
Use of Money and Property	-	-	-	-	-	-	-	1,389,467	1,389,467
Charges for Services	-	8,464,716	18,018,604	-	-	-	-	15,936,911	42,420,231
Intergovernmental Revenue	-	-	-	-	-	4,158,062	-	48,956,382	53,114,444
Miscellaneous	1,787,923	-	185,780	-	-	-	-	5,086,285	7,059,988
Total Revenues	1,787,923	8,464,716	18,204,384	1,720,931	7,339,748	4,158,062	-	80,651,621	122,327,385
EXPENDITURES									
Current Operating:									
General Government	-	-	-	-	-	212,703	-	2,756,088	2,968,791
Judicial Administration	-	-	-	-	-	132,512	-	1,630,027	1,762,539
Public Safety	-	128,482	-	-	-	-	-	12,996,874	13,125,356
Public Works	-	9,130,764	6,349,777	-	1,757,516	-	-	9,871,730	27,109,787
Health and Welfare	-	-	-	-	-	1,990,840	-	89,225,973	91,216,813
Culture and Recreation	-	-	-	-	-	243,289	-	3,149,261	3,392,550
Community Development	2,910,911	-	-	-	-	-	-	4,138,930	7,049,841
Interest and Other Charges	-	-	-	10,447,268	-	-	-	-	10,447,268
Total Expenditures	2,910,911	9,259,246	6,349,777	10,447,268	1,757,516	2,579,344	-	123,768,883	157,072,945
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,122,988)	(794,530)	11,854,607	(8,726,337)	5,582,232	1,578,718	-	(43,117,262)	(34,745,560)
OTHER FINANCING SOURCES (USES)									
Transfers In	9,573,050	-	-	27,105,616	28,480,971	-	-	46,438,842	111,598,479
Transfers Out	(6,240,000)	(9,082,081)	(11,645,200)	(4,892,597)	(33,902,971)	(1,578,718)	-	(1,821,847)	(69,163,414)
Total Other Financing Sources and Uses	3,333,050	(9,082,081)	(11,645,200)	22,213,019	(5,422,000)	(1,578,718)	-	44,616,995	42,435,065
Net Change in Fund Balance	2,210,062	(9,876,611)	209,407	13,486,682	160,232	-	-	1,499,734	7,689,506
Fund Balance at Beginning of Year	13,962,234	36,145,253	-	35,254,429	7,577,204	266	-	44,245,311	137,184,697
Fund Balance at End of Year	$ 16,172,296	$ 26,268,642	$ 209,407	$ 48,741,111	$ 7,737,436	$ 266	$ -	$ 45,745,045	$ 144,874,203

Trust Funds

City Supplemental Retirement – Single employer defined benefit plan under the authority of the City of Alexandria (the City). The plan covers regular, full time City employees including deputy sheriffs, medics, and fire marshals and regular, part-time City employees who are scheduled to work at least 50 percent time and who are not covered under the Firefighters & Police Officers Pension Plan.

Pension Plan for Fire Fighters and Police Officers - Single employer defined benefit plan under the authority of the City. The plan covers public safety employees who met specific criteria (see Note 17). This plan was closed to new participants in 1979.

Retirement Income Plan for Fire & Police - Single employer defined contribution plan under the authority of the City. The plan covers public safety employees with contributions made after 100 percent vesting. This plan was closed to new members in fiscal year 2004 and converted to a defined benefit plan.

Firefighters and Police Officers Pension Plan (defined benefit component) - Single employer defined benefit plan under the authority of the City. The plan covers full-time sworn firefighters and police officers. Recruits are also covered by the Plan.

Firefighters and Police Officers Pension Plan (disability component) - Single employer defined benefit plan under the authority of the City. The plan provisions provide disability benefits for firefighters and police officers.

Other Post-Employment Benefits (OPEB) – The plan includes three classes of City retirees as follows: (a) full-time City employees who are eligible to retire under the Virginia Retirement System and City Supplemental Retirement Plan; (b) fire and police employees who are eligible to retire under the current defined benefit pension plan; and (c) fire and police employees who retired and were eligible for normal retirement with 20 years of service under the old defined contribution retirement income plan and the retirees under the old defined benefit pension

CITY OF ALEXANDRIA, VIRGINIA
Combining Statement of Fiduciary Net Position – Trust Funds
June 30, 2024

	Employee Retirement Plans					Post Retirement Benefit Trust	
			Firefighters and Police Officers Pension Plan				
	City Supplemental Retirement	Pension for Fire and Police	Defined Contribution Component	Defined Benefit Component	Disability Component	Other Post Employment Benefits	Total
ASSETS							
Investments, at Fair Value							
Mutual Funds	$ 43,818,928	$ -	$ 13,246,825	$ 80,800,535	$ 7,551,937	$ 71,259,680	$ 216,677,905
Stocks	30,453,626	-	-	66,093,409	24,873,743	11,735,263	133,156,041
Guaranteed Investment Accounts	3,421,490	16,913,080	-	3,725,318	4,000	697,300	24,761,188
Real Estate	11,846,985	-	-	35,532,383	-	3,887,200	51,266,568
Timber	7,840,969	-	-	13,131,270	-	5,520,467	26,492,706
Private Equity	12,376,991	-	-	33,155,007	-	6,405,815	51,937,813
Other	84,128,990	-	-	190,431,895	502,797	29,527,389	304,591,071
Total Investments	193,887,979	16,913,080	13,246,825	422,869,817	32,932,477	129,033,114	808,883,292
Total Assets	193,887,979	16,913,080	13,246,825	422,869,817	32,932,477	129,033,114	808,883,292
NET POSITION							
Held in Trust for Pension Benefits	$ 193,887,979	$ 16,913,080	$ 13,246,825	$ 422,869,817	$ 32,932,477	$ 129,033,114	$ 808,883,292

CITY OF ALEXANDRIA, VIRGINIA
Combining Statement of Changes in Fiduciary Net Position – Trust Funds
For the Year Ended June 30, 2024

Combining Schedule of Changes in Fiduciary Net Position

	Employee Retirement Plans					Post Retirement Benefit Trust	
		Firefighters and Police Officers Pension Plan					
	City Supplemental Retirement	Pension for Fire and Police	Defined Contribution Component	Defined Benefit Component	Disability Component	Other Post Employment Benefits	Total
ADDITIONS							
Contributions:							
Employer	$ 7,070,292	$ 850,000	$ -	$ 18,807,613	$ 788,877	$ 1,855,000	$ 29,371,782
Plan Members	2,391,959	-	-	4,063,085	214,530		6,669,574
Total Contributions	$ 9,462,251	$ 850,000	$ -	$ 22,870,698	$ 1,003,407	$ 1,855,000	$ 36,041,356
Investment Income:							
Net Appreciation (Depreciation) in Fair Value of Investments	$ 11,576,167	$ -	$ 1,664,959	$ 21,826,550	$ 3,067,415	$ 10,109,219	$ 48,244,310
Interest	4,077,247	629,050	1,788	5,504,403	(99,590)	3,026,097	13,138,995
Investment Expense	(366,615)	-	-	(791,780)	(76,506)	(136,786)	(1,371,687)
Net Investment Income	$ 15,286,799	$ 629,050	$ 1,666,747	$ 26,539,173	$ 2,891,319	$ 12,998,530	$ 60,011,618
Total Additions	$ 24,749,050	$ 1,479,050	$ 1,666,747	$ 49,409,871	$ 3,894,726	$ 14,853,530	$ 96,052,974
DEDUCTIONS							
Benefits	$ 10,445,237	$ 2,197,975	$ 2,389,428	$ 23,374,078	$ 3,120,070	$ -	$ 41,526,788
Refunds of Contributions	678,769	-	-	452,989	-	-	1,131,758
Administrative Expenses	1,276,781	28,116	5,344	456,149	34,568	47,926	1,848,884
Total Deductions	$ 12,400,787	$ 2,226,091	$ 2,394,772	$ 24,283,216	$ 3,154,638	$ 47,926	$ 44,507,430
Net Increase (Decrease)	$ 12,348,263	$ (747,041)	$ (728,025)	$ 25,126,655	$ 740,088	$ 14,805,604	$ 51,545,544
Assets Transfer in (Out)	-	-	-	-	-	-	-
Net Position at Beginning of Year	181,538,479	17,660,121	13,974,850	397,739,687	32,192,388	114,227,510	757,333,035
Net Position at End of Year	$ 193,887,979	$ 16,913,080	$ 13,246,825	$ 422,869,817	$ 32,932,476	$ 129,033,114	$ 808,883,291

STATISTICAL SECTION

The statistical section includes detailed information to assist in understanding how the financial statements relate to the City's overall financial well-being and includes the following categories:

Financial trends: These tables assist users in understanding how the City's financial position has changed over time and include the following tables:

Table I—Schedule of Changes in Net Position

Table II—Changes in Fund Balances Governmental Funds

Table VII—Net Position

Table VIII—Fund Balances Governmental Funds

Table XXII—Five-Year Summary of General Fund Revenues and Expenditure

Revenue Capacity: These tables assist in understanding and assessing the City's own source revenues and include the following tables:

Table III—Tax Revenues by Source

Tables IV and V—Tax Levies and Collections

Table VI—Real and Personal Property Tax Assessments and Rates

Table IX—2024 Tax Rates for Major Revenue Sources

Table XV and XVI—Principal Taxpayers

Debt Capacity: These tables present information to assist in assessing the affordability of the City's current levels of debt and the City's ability to issue additional debt in the future and include:

Table X—Legal Debt Margin Information

Table XI—Ratio of Net General Debt to Assessed Value and Net Debt Per Capita

Table XII—Overlapping Debt and Debt History

Table XIII—Ratio of Annual Debt Service Expenditures for Net General Debt to Total General Expenditures

Table XXIII—Summary of Total General Obligation Bonds Debt Service

Demographic and Economic Information: These tables include demographic and economic information to assist in understanding the external factors that affect the City's financial activities and include:

Table XIV—Population and Per Capita Income

Table XVII—Alexandria City Schools Demographic Statistics

Table XVIII—Government Employees by Function

Table XIX—Principal Employers

Table XXI—Miscellaneous Statistical Data

Operating information: This table includes service and capital data to assist in understanding how financial information relates to the programs and activities the City performs and includes:

Table XX—Operating and Capital Indicators

CITY OF ALEXANDRIA, VIRGINIA
Schedule of Changes in Net Position
Last Ten Fiscal Years
(in millions)

TABLE I

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
General Government	$ 73.8	$ 66.3	$ 91.6	$ 47.4	$ 52.3	$ 95.1	$ 49.0	$ 27.2	$ 68.5	$ 80.0
Judicial Administration	20.1	19.9	20.6	20.5	21.7	21.7	21.2	22.4	24.7	25.5
Public Safety	138.6	149.4	152.2	157.3	160.8	163.4	175.7	171.5	167.8	174.4
Public Works	63.9	70.5	78.9	73.3	75.2	76.5	84.0	185.2	145.3	141.5
Library	6.5	6.7	6.9	6.9	7.0	7.1	7.4	7.7	8.1	8.1
Health and Welfare	93.3	94.9	96.9	97.6	100.2	107.7	119.6	114.3	78.0	72.5
Transit	17.8	21.9	32.8	39.0	44.1	42.9	28.7	54.6	57.7	46.9
Culture and Recreation	30.2	32.6	33.4	33.0	34.3	32.7	30.6	36.9	36.9	45.9
Community Development	35.3	33.3	37.1	35.4	44.0	58.3	57.5	45.0	57.3	62.1
Education	197.4	211.2	210.7	217.4	241.9	263.2	292.5	260.2	376.7	308.5
Interest on Long-term Debt	21.8	21.3	20.7	19.4	24.3	23.5	27.5	22.9	27.2	30.9
Total Governmental Activities	$ 698.7	$ 728.0	$ 781.9	$ 747.2	$ 805.8	$ 892.2	$ 893.7	$ 948.0	$ 1,048.4	$ 996.2
Revenues										
Governmental Activities										
Charges for Services:										
General Government	$ 2.9	$ 2.0	$ 3.6	$ 3.7	$ 3.9	$ 5.6	$ 6.1	$ 4.0	$ 5.5	$ 0.8
Judicial Administration	1.2	1.2	1.3	1.4	1.0	0.8	1.0	0.4	0.4	0.1
Public Safety	16.9	14.1	10.5	3.6	14.5	17.3	7.3	16.2	12.9	3.3
Public Works	22.1	33.0	32.0	38.9	30.4	59.8	53.2	49.0	53.8	42.5
Health and Welfare	5.9	5.3	5.5	10.4	0.2	6.1	6.2	5.0	5.9	5.2
Culture and Recreation	4.7	4.8	5.0	7.0	11.9	5.1	2.7	5.2	6.3	6.1
Community Development	5.0	1.5	0.8	8.4	2.6	0.9	4.4	1.9	2.2	1.6
Operating Grants and Contributions	68.8	46.8	66.3	52.2	51.5	60.2	112.6	147.7	131.5	39.4
Capital Grants and Contributions	11.5	6.5	19.1	7.1	7.0	6.8	9.7	21.2	21.1	22.6
Total Governmental Activities	$ 139.0	$ 115.2	$ 148.4	$ 136.9	$ 129.1	$ 162.6	$ 206.9	$ 252.9	$ 239.8	$ 121.9

* Due to rounding , decimals for the totals may not correspond wieht the sum of the separate figures

CITY OF ALEXANDRIA, VIRGINIA
Schedule of Changes in Net Position
Last Ten Fiscal Years
(in millions)

TABLE I (continued)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense) (Revenue)										
General Government	$ (69.8)	$ (63.2)	$ (82.0)	$ (43.0)	$ (47.7)	$ (86.4)	$ (18.3)	$ 31.8	$ (13.6)	$ (68.1)
Judicial Administration	(15.1)	(16.3)	(18.70)	(18.50)	(20.1)	(20.4)	(19.2)	(20.8)	(22.8)	(24.5)
Public Safety	(106.6)	(121.9)	(132.10)	(144.1)	(143.0)	(142.2)	(157.2)	(146.1)	(144.3)	(169.8)
Public Works	(22.3)	(23.7)	(32.80)	(26.20)	(37.2)	(9.1)	(22.6)	(115.1)	(64.2)	(77.0)
Library	(6.5)	(6.7)	(6.90)	(6.90)	(7.0)	(7.1)	(7.4)	(7.7)	(8.1)	(8.1)
Health and Welfare	(56.5)	(69.8)	(58.00)	(54.0)	(65.5)	(62.2)	(60.9)	(63.7)	(31.3)	(49.1)
Transit	(17.8)	(21.9)	(28.00)	(34.6)	(37.4)	(42.6)	(25.0)	(45.0)	(50.2)	(39.7)
Culture and Recreation	(25.3)	(26.7)	(26.00)	(25.7)	(22.1)	(26.9)	(24.4)	(28.0)	(26.5)	(39.7)
Community Development	(20.6)	(30.1)	(17.50)	(20.4)	(30.5)	(45.9)	(31.9)	(17.4)	(43.7)	(59.0)
Education	(197.4)	(211.2)	(210.70)	(217.4)	(241.9)	(263.2)	(292.5)	(260.2)	(376.7)	(308.5)
Interest on Long-term Debt	(21.8)	(21.3)	(20.70)	(19.4)	(24.3)	(23.5)	(27.5)	(22.9)	(27.2)	(30.9)
Subtotal Governmental Activities	(559.7)	(612.8)	(633.4)	(610.2)	(676.7)	(729.5)	(686.8)	(695.1)	(808.6)	(874.3)
Total Primary Government	(559.7)	(612.8)	(633.4)	(610.2)	(676.7)	(729.5)	(686.8)	(695.1)	(808.6)	(874.3)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Real Estate	375.9	393.5	424.4	441.5	455.4	463.8	478.4	480.2	516.0	532.5
Personal Property	50.5	44.5	49.6	57.0	48.2	56.6	45.2	59.3	68.8	72.9
Other	134.1	135.9	155.4	141.0	145.3	133.4	143.5	156.1	163.3	155.5
Grants and Contributions not restricted to other programs	33.3	58.5	34.8	52.4	58.4	50.3	38.2	35.9	36.5	45.0
Interest and Investment Earnings	4.9	5.4	5.5	7.3	11.3	8.7	3.8	1.1	20.5	26.7
Miscellaneous	5.0	2.9	11.5	15.6	21.8	31.3	8.9	2.6	2.4	14.6
Subtotal Governmental Activities	603.7	640.7	681.2	714.8	740.4	744.0	718.0	735.1	807.5	847.2
Total Primary Government	603.7	640.7	681.2	714.8	740.4	744.0	718.0	735.1	807.5	847.2
Change in Net Position										
Governmental Activities	44.0	27.9	47.8	104.6	63.7	14.4	14.4	40.0	(1.1)	(27.1)
	$ 44.0	$ 27.9	$ 47.8	$ 104.6	$ 63.7	$ 14.4	$ 14.4	$ 40.0	$ (1.1)	$ (27.1)

* Due to rounding , decimals for the totals may not correspond wieht the sum of the separate figures

CITY OF ALEXANDRIA,VIRGINIA
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
(in millions)

TABLE II

Revenues	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
General Property Taxes	$ 422.2	$ 439.7	$ 473.0	$ 492.3	$ 505.7	$ 518.5	$ 536.3	$ 554.1	$ 584.8	$ 603.7
Other Local Taxes	134.1	135.9	138.8	140.9	145.3	133.4	143.5	156.1	163.4	167.0
Permits, Fees, and Licenses	10.9	8.1	9.5	10.5	12.8	15.0	18.6	15.8	13.4	12.0
Fines and Forfeitures	4.9	5.0	5.0	5.0	4.3	4.1	3.1	2.7	3.1	6.1
Use of Money and Property	5.1	6.1	7.7	13.8	16.7	14.0	5.2	3.8	31.1	42.9
Charges for Services	32.1	37.5	43.7	56.4	59.6	70.1	60.7	65.8	72.1	60.1
Intergovernmental Revenue	111.9	108.1	117.0	108.8	114.7	124.6	147.6	178.5	148.0	118.3
Miscellaneous	-	10.6	16.5	14.5	21.8	31.3	9.7	20.7	12.6	26.9
Non Revenue Receipts	8.8	-	-	-	-	-	-	-	0.2	0.4
Total Governmental Revenues	730.0	751.0	811.2	842.2	880.9	911.0	924.6	997.4	1,028.8	1,037.5
Expenditures										
General Government	45.7	46.6	50.8	52.6	50.1	50.2	58.0	59.3	68.9	64.4
Judicial Administration	19.7	19.4	20.1	19.9	21.1	21.4	21.0	21.9	24.2	27.7
Public Safety	134.9	142.7	146.7	150.0	156.7	158.0	153.4	156.7	167.7	181.9
Public Works	41.8	44.2	43.4	46.0	46.7	49.3	46.8	49.0	61.0	62.6
Library	6.5	6.7	6.9	6.9	7.0	7.1	7.4	7.7	8.1	8.3
Health and Welfare	92.9	94.4	96.5	97.1	99.7	111.1	119.1	113.8	111.6	117.6
Transit and Transit Transfer	17.8	21.9	28.4	35.7	40.2	42.9	28.7	49.2	50.7	54.4
Culture and Recreation	24.7	25.5	26.3	27.0	27.5	28.3	26.0	29.5	34.3	35.4
Community Development	29.4	31.4	34.8	34.1	42.0	47.2	44.8	40.5	40.7	32.5
Education	196.3	202.8	225.3	206.9	227.2	241.2	244.9	248.9	260.1	276.5
Capital Outlay*	99.5	62.9	81.4	101.2	157.8	135.5	176.5	236.7	377.1	339.7
Debt Service - Principal	38.6	41.6	43.3	44.4	46.0	46.1	47.5	45.5	49.9	66.3
- Interest	22.6	21.8	21.5	21.8	24.6	23.5	27.2	27.1	31.9	41.8
Total Governmental Expenditures	770.4	761.9	825.4	843.6	946.6	961.8	1,001.5	1,086.0	1,286.4	1,309.1
Excess of Revenues over (under) expenditures	(40.4)	(10.9)	(14.2)	(1.4)	(65.7)	(50.8)	(76.9)	(88.6)	(257.6)	(271.6)
Other Financing Sources/(Uses)										
Issuance of Debt	70.7	39.1	25.4	84.4	109.7	204.1	49.9	193.1	0.0	246.6
Sale of Land	1.2	5.3	-	4.4	-	-	-	-	-	-
Other Financing	-	-	-	-	0.3	-	-	-	-	-
Bond Premimum (Discount)	-	-	-	-	-	-	-	-	14.8	25.5
Transfers in	77.8	85.9	91.2	108.8	139.2	135.5	154.5	266.0	212.5	221.5
Transfers out	(81.2)	(86.6)	(90.4)	(109.4)	(139.0)	(137.0)	(153.8)	(266.0)	(212.5)	(221.5)
Capital Contribution	-	-	-	4.3	0.1	-	-	-	-	-
Total Other	68.5	43.7	26.2	92.5	110.3	110.2	50.6	193.1	14.8	272.1
Net change in Fund Balance	$ 28.1	$ 32.8	$ 12.0	$ 91.1	$ 44.6	(50.8)	-$ 26.3	$ 104.6	$ (242.8)	$ 0.6
Debt Service as percentage of noncapital expenditures	8.77%	8.82%	8.73%	9.21%	8.61%	8.62%	9.06%	8.19%	9.00%	11.15%

** Amounts may not add due to rounding
* Capital Outlay was recalculated in 2024 and back to 2015.

CITY OF ALEXANDRIA, VIRGINIA
Tax Revenues by Source - All Funds
Last Ten Fiscal Years

TABLE III

	Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Property Taxes	Real Estate	$ 375,629,898	$ 391,339,844	$ 422,362,653	$ 440,427,264	$ 452,762,144	$ 459,756,284	$ 480,092,075	$ 493,495,160	$ 514,222,181	$ 528,337,574
	Personal	44,495,560	45,556,820	47,476,491	49,240,775	50,007,122	54,534,521	52,984,935	57,207,803	66,525,461	71,177,934
	Penalties and Interest	2,065,762	2,757,775	3,083,530	2,622,511	2,923,419	2,972,751	3,183,207	3,358,050	3,764,634	4,188,356
Other Local Taxes	Local Sales	29,907,322	31,174,524	32,360,983	31,965,152	33,843,610	35,179,797	44,299,858	43,873,085	47,903,530	47,468,362
	Utility	12,364,106	12,579,583	12,286,676	12,069,408	11,264,818	12,077,396	11,534,144	12,017,966	12,639,483	12,685,009
	Business License	33,474,138	32,134,946	33,751,755	33,846,543	36,883,865	35,154,223	37,042,157	38,101,182	40,006,700	42,286,568
	Motor Vehicle License	3,483,135	3,602,980	3,661,152	3,675,482	3,558,915	163,361	25,676	8,212	6,318	2,245
	Bank Franchise	3,077,715	3,408,128	3,391,507	3,828,225	3,932,554	3,445,787	3,603,341	3,182,904	3,191,348	3,160,095
	Tobacco	3,020,469	2,907,915	3,021,243	2,777,656	2,513,138	2,321,508	2,137,890	2,149,715	2,095,823	1,885,731
	Recordation	6,481,339	6,458,302	6,185,633	9,036,488	5,913,217	7,144,558	9,016,670	8,425,865	4,360,818	3,916,012
	Transient Lodging	12,371,555	12,755,322	13,542,901	13,936,579	12,912,839	8,663,346	4,762,880	10,206,837	11,960,434	14,913,657
	Restaurant Food	17,635,886	18,655,330	18,878,758	18,283,682	23,999,949	19,765,936	21,934,868	28,872,822	30,143,987	31,601,200
	Telecommunication	530,408	988,865	772,110	837,655	748,488	694,026	913,013	1,040,571	641,191	743,309
	Admissions	902,556	759,368	709,640	688,505	574,440	443,640	104,221	254,968	332,241	372,970
	Communications Sales Tax	10,776,792	10,457,755	10,200,706	9,881,812	9,167,402	8,217,077	8,106,878	7,709,875	7,512,962	7,117,612
	Other	44,078	36,409	48,777	59,700	35,860	139,218	65,486	209,815	424,305	450,457
	Total	$ 556,260,719	$ 575,573,866	$ 611,734,515	$ 633,177,437	$ 651,041,780	$ 650,673,428	$ 679,807,297	$ 710,114,831	$ 745,731,415	$ 770,307,092

CITY OF ALEXANDRIA, VIRGINIA
Real and Personal Property Tax Levies and Collections
Last Ten Calendar Years

Table IV

Real Property
(Amounts in thousands)

Calendar Year Ended December 31	Fiscal Years	Taxes Levied for the Calendar Year*	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	FY 2013	$ 323,779	$ 322,747	99.7%	$ 864	$ 323,611	99.95%
2013	FY 2014	348,850	347,849	99.7	821	348,670	99.95
2014	FY 2015	362,580	361,334	99.7	879	362,212	99.90
2015	FY 2016	375,568	374,208	99.6	699	374,907	99.82
2016	FY 2017	395,839	394,696	99.7	4,491	399,186	100.85
2017	FY 2018	426,139	424,908	99.7	4,182	429,090	100.69
2018	FY 2019	436,106	434,793	99.7	48	434,840	99.71
2019	FY 2020	446,629	445,474	99.7	938	446,413	99.95
2020	FY 2021	467,301	465,972	99.7	744	466,715	99.87
2021	FY 2022	470,456	469,384	99.8	1,062	470,446	100.00
2022	FY 2023	498,191	497,078	99.8	1,338	498,416	100.05
2023	FY 2024	515,355	512,617	99.5	919	513,536	99.65

* Levy adjusted for changes since original levy
Source: City of Alexandria Department of Finance

Table V

Personal Property
(Amounts in thousands)

Calendar Year Ended December 31	Fiscal Years	Taxes Levied for the Calendar Year		Collected within the Fiscal Year of the Levy			Total Collections to date	
		Total	Commonwealth Reimbursement	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2013	FY 2014	$ 67,192	$ 23,239	$ 65,664	97.7%	$ 627	$ 66,291	98.66%
2014	FY 2015	68,075	23,455	63,579	93.40	2,919	66,498	97.68
2015	FY 2016	69,948	23,710	67,329	96.25	1,938	69,267	99.03
2016	FY 2017	71,851	23,517	69,382	96.56	1,611	70,993	98.81
2017	FY 2018	72,063	23,752	70,919	98.41	2,074	72,993	101.29
2018	FY 2019	73,764	22,724	69,614	94.37	2,304	71,918	97.50
2019	FY 2020	79,890	23,391	76,012	95.15	1,898	77,910	97.52
2020	FY 2021	78,526	23,475	74,456	94.82	2,004	76,460	97.37
2021	FY 2022	82,400	23,112	77,935	94.58	2,384	80,319	97.47
2022	FY 2023	90,331	23,258	85,523	94.68	4,261	89,784	99.39
2023	FY 2024	97,177	23,455	91,025	93.67	3,656	94,681	97.43

* Commonwealth reimbursement included in taxes levied and collections.
Source: City of Alexandria Department of Finance

CITY OF ALEXANDRIA, VIRGINIA
Real and Personal Property Tax Assessments and Rates
Last Ten Calendar Years

TABLE VI

	Locally Assessed Real Property ($000)				Personal Property ($000)				
Calendar Year	Residential	Commercial	Total	Tax Rate per $100	Motor Vehicle and Tangibles Assessments	Tax Rate per $100	Machine and Tools Assessment	Tax Rate per $100	Total Assessment
2014	21,195,556	15,376,112	36,571,668	1.050	1,426,427	5.00	11,281	4.50	1,437,708
2015	21,713,189	15,886,156	37,599,345	1.073	1,492,140	5.00	10,776	4.50	1,502,916
2016	22,092,997	16,284,957	38,377,954	1.130	1,517,743	5.00	11,199	4.50	1,528,942
2017	22,844,035	16,437,017	39,281,052	1.130	1,555,607	5.00	6,123	4.50	1,561,730
2018	23,310,833	17,025,285	40,336,118	1.130	1,581,904	5.00	9,727	4.50	1,591,631
2019	24,550,610	17,501,144	42,051,754	1.130	1,491,271	5.33	14,262	4.50	1,505,533
2020	26,029,769	17,158,601	43,188,369	1.110	1,652,958	5.33	14,963	4.50	1,667,921
2021	27,828,841	18,074,465	45,903,306	1.110	1,775,759	5.33	11,115	4.50	1,786,874
2022	29,224,848	18,430,001	47,654,849	1.110	1,903,199	5.33	15,755	4.50	1,918,954
2023	30,096,124	17,693,119	47,789,243	1.110	2,059,639	5.33	16,506	4.50	2,076,145

Note: Property is assessed each year as of January 1. Property is assessed at actual value; therefore, assessed values are equal to actual values.
Note: Tax Rate % double check from Table IX

CITY OF ALEXANDRIA, VIRGINIA
Net Position
Last Ten Fiscal Years
(in millions)

TABLE VII

Governmental Activities	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Investment in Capital Assets	$ 364.3	$ 373.4	$ 389.1	$ 416.1	$ 469.8	$ 461.4	$ 406.0	$ 348.0	$ 279.8	$ 320.1
Restricted for										
Affordable Housing	1.4	0.7	2.0	5.7	13.8	8.3	5.7	10.8	14.0	16.2
Other Projects	15.1	15.8	20.4	20.4	8.7	9.5	8.6	7.5	8.1	8.9
Net Pension Assets	-	-	-	-	-	4.4	43.7	2.0	5.8	5.0
OPIOD Settlement	-	-	-	-	-	-	-	-	1.1	1.9
Unrestricted Net Position	(36.0)	(17.2)	32.3	64.1	77.7	100.8	151.6	287.4	345.8	275.4
Total Governmental Activities Net Position	$ 344.8	$ 372.7	$ 443.8	$ 506.3	$ 570.0	$ 584.4	$ 615.6	$ 655.7	$ 654.6	$ 627.5

**Amounts may not add due to rounding

CITY OF ALEXANDRIA, VIRGINIA
Fund Balances Governmental Funds
Last Ten Fiscal Years

TABLE VIII

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved for:										
Non-Spendable	$ 3,374,907.00	$ 3,374,907.00	$ 10,917,115.00	$11,009,773.00	$ 5,685,676.00	$ 7,101,792.00	$ 7,272,032.00	$20,378,954.00	$ 19,983,095.00	$ 6,970,826.00
Committed	10,382,766	10,382,766	11,737,149	10,015,523	9,360,247	9,336,383	11,807,016	13,024,074	16,006,322	13,123,826
Assigned	12,400,000	12,400,000	35,789,849	34,152,482	46,762,362	50,643,051	63,400,000	85,994,340	56,964,943	46,492,992
Unassigned	51,624,142	51,624,142	61,562,170	73,780,565	81,406,421	85,718,804	94,165,465	105,740,238	130,735,831	135,927,181
Subtotal General Fund	$ 77,781,815	$ 77,781,815	$ 120,006,283	$ 128,958,343	$ 143,214,706	$ 152,800,030	$ 176,644,513	$ 225,137,606	$ 223,690,191	$ 202,514,825
All Other Governmental Funds										
Reserved For										
Non-Spendable (Special Revenue Fund)	2,498,322	-	-	-	-	-	-	-	1,151,591	1,539,880
Non-Spendable (ATC)	-	-	-	-	-	-	-	1,063,790	-	-
Restricted (Special Revenue Fund)	14,027,836	16,553,843	22,396,774	26,113,490	22,508,963	17,808,272	14,124,539	18,267,147	22,025,591	25,082,530
Committed (Special Revenue Fund)	52,452,826	49,925,447	55,507,559	69,651,113	78,073,867	104,473,313	128,138,998	106,363,652	115,159,106	119,791,673
Committed (Capital Projects)	171,248,033	172,124,584	212,284,917	297,691,622	261,978,279	400,720,737	281,105,893	387,115,344	173,857,156	111,785,574
Restricted (Capital Projects)	-	-	-	-	-	-	-	-	102,283,026	177,966,886
Unassigned (ATC)	-	-	-	-	-	-	-	(1,062,962)	-	-
Total All Other Governmental Funds	$ 240,227,017	$ 238,603,874	$ 290,189,250	$ 393,456,225	$ 362,561,109	$ 523,002,322	$ 423,369,430	$ 511,746,971	$ 414,476,470	$ 436,166,543

With the implementaion of GASB Statement No. 54 in Fiscal Year 2011, the fund balance terminology was changed.

CITY OF ALEXANDRIA, VIRGINIA
2024 Tax Rates for Major Revenue Source

TABLE IX

Real Estate Tax	$1.135 per $100 assessed value
Personal Property Tax	$4.50 per $100 assessed value (machinery and tools)
	$4.75 per $100 assessed value (tangible personal property)
	$1.11 per $100 assessed value (Mobile homes)
	$5.33 per $100 assessed value (Automobiles)
	$3.55 per $100 assessed value (handicap vehicles)
	$0.01 per $100 assessed value (Boats)
Utility Tax (for residential users)	15% of monthly amount charged to consumers of the utility Service
	$1.12 plus $0.012075 of each KWh ($3.00 monthly) - Electric
	$1.28 plus $0.124444 of each CCF gas delivered ($3.00 monthly) - Gas
	$1.28 plus $0.050909 of each CCF ($3.00 monthly)
	$1.28 plus 0.023267 of each CCF gas delivered-group meter interruptible consumers (not to exceed $3.0 per dwelling unit)
Utility Tax (for commercial users)	20% if the monthly bill exceeds $150 then not tax computed on that in amount above $150
	$1.18 plus $0.005578 of each kwh delivered-commercial consumer - Electric, Commercial
	$1.18 plus $0.004544 of each kwh delivered-industrial consumer - Electric, Industrial
	$1.28 plus $0.023267 each CCF gas delivered-commercial/industrial consumer
	$4.50 plus $0.003670 of each CCF gas delivered-non-residential interruptible gas consumers
Business and Professional Licenses	
Alcoholic Beverages	$5 - $1,500 (fee based on seating capacity/type of license)
First year of operation:	
Gross receipts less than $100,000	No tax due (dependant on license category)
Gross receipts of greater than $10,000 and less than $100,000	$50 (First year only, dependant on license category)
Gross receipts of $2,000,000 or more	Same as renewal for greater than $100,000 below
Renewal business	
Gross receipts of greater than $10,000 and less than $100,000:	
Any business	$50
Gross receipts of $100,000 or more	
Amusement and Entertainment	$0.36 per $100 gross receipts
Professional	$0.58 per $100 gross receipts
Renting of Residential Property	$0.50 per $100 gross receipts
Renting of Commercial Property	$0.35 per $100 gross receipts
Financial Services	$0.35 per $100 gross receipts
Personal, Business and Repair Service	$0.35 per $100 gross receipts
Retail Merchants	$0.20 per $100 gross receipts
Contractors	$0.16 per $100 gross receipts
Wholesale Merchants	$0.05 per $100 total purchases
Public Utilities	
Telephone	$0.50 per $100 of gross receipts excluding charges for long distance calls
Communication Sales and Use Tax	5% of sale price of each communications service
Water	One-half of one percent of the gross receipt
Admissions Tax	10% of admissions up to $0.50 per person
Public Rights-of-Way Use Fee	$1.88 per access line per month (effective 7/1/24)
Electric Consumption Tax	$0.0038/kwh
Natural Gas Consumption Tax	$0.004 per CCF
Local Sales Tax	1.0% on sale (added to the rate of the State tax imposed)
Short-Term Rental Tax	1% of gross proceeds of business arising from rentals (1.5% Heavy Equipment).
Cigarette Tax	$1.26 on each package of twenty cigarette
Transient Lodging Tax	6.5% of total amount paid for room rental plus
	$1.25 per night lodging fee
Restaurant Meal Tax	5% of total charge of Meal (on all food and drink)
Recordation Tax	$0.083 per $100 of sales price/loan value (equals State max)
Late Payment Tax Penalty	10% or $10, whichever is greater
Tax Interest	10% for the first year and 5% for each year thereafter.

Source: City of Alexandria Revenue Division

CITY OF ALEXANDRIA, VIRGINIA
Legal Debt Margin Information
Last Ten Fiscal Years

TABLE X

	2015	2016	2017	2018	2019
Assessed Value of Real Property, January 1	$ 37,146,860,126	$ 38,195,318,730	$ 38,987,293,704	$ 39,897,986,964	$ 40,977,242,214
Debt Limit: 10 percent	3,714,686,013	3,819,531,873	3,898,729,370	3,989,798,696	4,097,724,221
Amount of Debt Applicable to Debt Limit	540,495,000	522,710,000	557,233,000	595,021,000	589,957,000
Legal Debt Margin	$ 3,174,191,013	$ 3,296,821,873	$ 3,341,496,370	$ 3,394,777,696	$ 3,507,767,221
Debt as a Percentage of Assessed Value	1.46%	1.37%	1.43%	1.49%	1.44%

	2020	2021	2022	2023	2024
Assessed Value of Real Property, January 1	$ 42,679,236,862	$ 43,826,796,330	$ 46,560,058,324	$ 48,332,631,187	$ 48,490,380,311
Debt Limit: 10 percent	4,267,923,686	4,382,679,633	4,656,005,832	4,833,263,119	4,849,038,031
Amount of Debt Applicable to Debt Limit	747,911,000	704,117,000	852,606,000	946,057,000	1,134,925,000
Legal Debt Margin	$ 3,520,012,686	$ 3,678,562,633	$ 3,803,399,832	$ 3,887,206,119	$ 3,714,113,031
Debt as a Percentage of Assessed Value	1.75%	1.61%	1.83%	1.96%	2.34%

Limitations on the Incurrence of General Obligation Debt:

There is no requirement in the Virginia Constitution, the Virginia Statutes, or in the Charter of the City of Alexandria that the issuance of general obligation bonds of the City be subject to approval of the electors of the City at referendum.

Under the City Charter the City Council has full authority to authorize and issue general obligation bonds. The authorizing procedure consists of the passage on the first reading of and ordinance authorizing the issuance of the bonds, followed by a notice of public hearing at a subsequent meeting, and the final passage on

The only constitutional limitation on the issuance of general obligation bonds is contained in Article VII, Section 10 of the Virginia Constitution, which states that: "No city or town shall issue any bonds or other interest-bearing obligations which, including existing indebtedness, shall at any time exceed ten percent of the assessed valuation of real estate in the city or town subject to taxation, as shown by the last preceding assessment for taxes."

CITY OF ALEXANDRIA, VIRGINIA
Ratio of Net General Debt[1] to Assessed Value
And Net Debt Per Capita
Last Ten Fiscal Years

TABLE XI

FY Year	Population[3]	Taxable Assessed Value ($000) [2]			Outstanding Debt	Outstanding Debt As Percentage of Assessed		Personal Income ($100)	Debt Per Capita	Debt Per Capita As A Percentage of Per Capita Income[4]
		Real Property	Personal Property	Total		Real Property	Total Property			
2015	147,650	37,146,860	1,397,502	38,544,362	540,495,000	1.46	1.40	12,071,851	3,661	4.73
2016	149,900	38,195,319	1,437,203	39,632,522	522,710,000	1.37	1.32	11,789,823	3,487	4.33
2017	152,200	38,987,294	1,503,339	40,490,633	557,233,000	1.43	1.38	12,692,748	3,661	4.45
2018	154,500	39,897,987	1,520,865	41,418,852	595,021,000	1.49	1.44	12,958,210	3,851	4.63
2019	156,800	40,977,242	1,565,335	42,542,577	589,957,000	1.44	1.39	13,455,505	3,762	4.47
2020	159,200	42,679,237	1,596,166	44,275,403	747,911,000	1.75	1.69	14,127,927	4,698	5.59
2021	161,300	43,826,796	1,506,234	45,333,030	704,117,000	1.61	1.55	14,665,740	4,365	4.96
2022	163,400	46,560,058	1,664,074	48,224,132	852,606,000	1.83	1.77	14,894,033	5,218	5.93
2023	165,700	48,332,631	1,791,514	50,124,145	946,057,000	1.96	1.89	15,473,266	5,709	6.49
2024	166,000	48,490,380	1,919,705	50,410,085	1,134,925,000	2.34	2.25	16,367,274	6,837	6.93

(1) Net General Debt includes general obligation bonds, premium and term notes.
(2) Includes real and personal property as adjusted for changes to levy.
(3) SOURCE: Alexandria Department of Planning and Zoning and the United States Bureau of Economic Analysis
(4) Personal Income and per capita income represents data from the United States Bureau of Economic Analysis, as revised, that generally has a two-year lag.

TABLE XII

The City of Alexandria is autonomous from any county, town, or other political subdivisions of the Commonwealth of Virginia. There is no overlapping general obligation debt or taxing powers. The water system and the sewage treatment plant within the City are operated by a private company and an independent authority, respectively, for which the City has no debt obligations.

The City has never defaulted in the payment of any part of either principal or interest on any debt.

Credit Ratings	
Moody's Investors Service.....	Aaa
Standard & Poor's Corporation.....	AAA

Paying Agents

The City's coupon bonds and interest coupons are payable at the Chase Manhattan Bank, N.A., New York, New York, or SunTrust Bank in Richmond, Virginia. Registered bonds and interest are payable at the principal corporate trust office of the Chase Manhattan Bank, N.A., New York, New York, or Depository Trust Company, New York, New York, which are the Registrars for bonds of the City of Alexandria.

Ratio of Annual Debt Service Expenditures for Net General Debt (1) to Total General Expenditures
Last Ten Fiscal Years

TABLE XIII

Year	Principal	Interest and Other Costs	Total Debt Service	General Expenditures (2)	Ratio of Debt Service to General Governmental Expenditures %
2015	38,645,000	22,614,198	61,259,198	817,311,890	7.50
2016	41,595,000	21,766,140	63,361,140	808,162,557	7.84
2017	43,300,000	21,490,252	64,790,252	880,542,277	7.36
2018	44,404,949	21,795,764	66,200,713	920,488,621	7.19
2019	45,989,000	24,591,838	70,580,838	1,016,620,191	6.94
2020	46,126,000	23,463,907	69,589,907	1,041,037,742	6.68
2021	47,529,000	27,223,323	74,752,323	1,090,444,851	6.86
2022	45,546,000	27,071,962	72,617,962	1,167,956,936	6.22
2023	49,934,000	31,919,094	81,853,094	1,375,224,313	5.95
2024	66,329,479	41,786,977	108,116,456	1,415,239,040	7.64

(1) Net General Debt includes general obligation bonds
(2) Includes expenditures for School Board and Library component units

CITY OF ALEXANDRIA, VIRGINIA
Demographic Statistics
June 30, 2024

TABLE XIV

Population

Calendar Year	Population	Calendar Year	Population
1990	111,183	2018	154,500
2000	128,283	2019	156,800
2010	139,993	2020	159,467
2014	144,000	2021	161,300
2015	147,650	2022	163,400
2016	149,900	2023	165,700
2017	152,200	2024	166,000

SOURCE: U.S. Bureau of Census, "General Population Characteristics"
2011-2019 City of Alexandria, Department of Planning Zoning. Calendar Year 2020 reflects the 2020 Census data released on August 12, 2021. Calendar Year 2021-2024 is an estimate developed by the City's Department of Planning and Zoning.

POPULATION INDICATORS
PER CAPITA INCOME*

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Alexandria	$77,419	$80,506	$82,253	$81,887	$83,477	$87,761	$89,884	$93,835	$100,017	$105,239
Arlington	79,295	83,616	86,141	87,136	90,390	95,012	98,116	100,823	107,603	112,313
Fairfax (include Fairfax City and Falls Church)	69,817	72,552	75,081	76,947	78,751	82,888	86,031	88,971	94,677	101,400
Washington MSA	$62,496	$60,814	$62,546	$65,155	$67,598	$69,295	$71,615	$73,059	$80,822	$83,010

***BEA has revised these numbers**.

SOURCE: U.S. Bureau of Economic Analysis (BEA) This data has been revised from previous estimates provided by the Department of Commerce

CITY OF ALEXANDRIA
UNEMPLOYMENT RATE*
LAST TEN YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Unemployment Rate	3.5%	2.9%	2.8%	2.4%	2.2%	8.3%	4.3%	2.4%	2.3%	2.4%

*The Bureau of Labor Statistics has revised these numbers

SOURCE: U.S. Bureau of Labor Statistics (BLS). This data has been revised from previous estimates provided by the Bureau of Labor Statistics. Revision occurred on June 2024.

CITY OF ALEXANDRIA, VIRGINIA
Principal Taxpayers
Current Year and Nine Years Ago
June 30, 2024

TABLE XV

Private Property

	Owner's Name	Property	2024 Assessed Value (in millions)	Percentage of Total Assessed Valuation
1	Equity Residential	Apartments	$722.1	1.49%
2	Paradigm Companies	Apartments	637.5	1.31
3	Stonebridge Carras	Apartments/Officee Buildings/Vacant Land	567.3	1.17
4	Morgan Properties	Apartments	549.8	1.13
5	CIM Group	Apartments	516.3	1.06
6	LCOR Alexandria, L.L.C.	Office Buildings	480.5	0.99
7	AIMCO	Apartments	402.8	0.83
8	UDR	Apartments	312.9	0.65
9	Elme Communities (formerly Washreit)	Apartments/Officee Buildings	250.7	0.52
10	Carmel Partners	Apartments	245.3	0.51

SOURCE: City of Alexandria, Department of Finance, Real Estate Assessment Division

	Owner's Name	Property	2015 Assessed Value (in millions)	Percentage of Total Assessed Valuation
1	LCOR Alexandria, L.L.C.	Office Buildings	$976.7	2.30%
2	Equity Residential	Apartments Buildings	555.4	1.31
3	Paradigm Companies	Apartments Buildings	537.3	1.26
4	Home Properties	Apartments Buildings	375.7	0.88
5	AIMCO	Appartments	329.3	0.77
6	Hoffman Family	Hoffman Office Buildings	273.1	0.64
7	JBG Properties	Apartments and Land	268.8	0.63
8	Southern Towers L.L.C.	Southern Towers Apartments	260.9	0.61
9	Area Property Partners	Apartments/Industrial	235.5	0.55
10	Duke Realty	Office Buildings	133.1	0.31

SOURCE: City of Alexandria, Department of Finance, Real Estate Assessment Division

CITY OF ALEXANDRIA, VIRGINIA
Principal Taxpayers
Current Year and Nine Years Ago
June 30, 2024

Public Service Companies

	Owner's Name	2024 Assessed Value (in millions)	Percentage of Total Assessed Valuation
1	Virginia Electric Power Company	$254.8	0.53%
2	Virginia-American Water Co.	92.2	0.19
3	Washington Gas Light Company	65.1	0.13
4	Verizon Virginia Inc.	44.4	0.09
5	Potomac electric Power Company	42.1	0.09
6	Covanta Alexandria / Arlington, Inc.	19.8	0.04
7	Cellco Partnership	12.2	0.03
8	New Cingular Wireless PCS, LLC Value of Merchants cpital (not included in totals)	11.0	0.02
9	T-Mobile USA Value of merchants capital (not included in totals)	9.5	0.02
10	Crown castle Fiber LLC	1.5	0.00

SOURCE: Virginia State Corporation Commission
SOURCE: City of Alexandria, Department of Finance, Office of Real Estate Assessments

	Owner's Name	2015 Assessed Value (in millions)	Percentage of Total Assessed Valuation
1	Virginia Electric Power Company	$211.1	1.50%
2	Norfolk Southern Raiway Company	73.3	0.20
3	CSX Transportation	63.1	0.17
4	Virginia-American Water Co.	56.7	0.15
5	Potomac Electric Power Company	43.0	0.12
6	Covanta Alexandria/Arlington, Inc	41.0	0.11
7	Verizon Virginia Inc.	40.6	0.11
8	Washington Gas Light Company	38.1	0.10
9	New Cingular Wireless PCS, LLC	10.8	0.03
10	Cellco	6.8	0.02

SOURCE: Virginia State Corporation Commission

CITY OF ALEXANDRIA, VIRGINIA
Alexandria City School
Demographic Statistics
Last Ten Fiscal Years

TABLE XVI

Fiscal Year	Total Enrollment	Number Receiving Free or Reduced Meals	Number in English as Second Language	Number Receiving Special Education	Elementary School Gifted and Talented Programs	Number in Middle (6-8) School Gifted and Talented Programs
2015	14,224	8,582	4,202	1,634	823	432
2016	14,729	8,664	4,381	1,672	861	545
2017	15,105	8,965	4,789	1,803	933	604
2018	15,540	9,106	4,791	1,731	1,045	663
2019	15,795	9,282	5,045	1,762	1,044	711
2020	16,117	9,094	5,117	1,697	698	691
2021	15,635	8,385	5,062	1,581	392	658
2022	15,526	9,099	4,853	1,571	668	633
2023	15,786	8,589	5,713	1,715	749	606
2024	16,137	8,444	6,434	1,850	808	519

SOURCE: City of Alexandria Public School System

CITY OF ALEXANDRIA, VIRGINIA
General Fund
City Department Expenditure Detail by Function
For the Fiscal Year Ended June 30, 2024

TABLE XVII

General Fund Expenditures	General Government	Judicial Administration	Public Safety	Public Works	Health and Welfare	Recreation & Culture	Community Development	Education	Library	Transit Subsidies	Debt Services	Total
City Council	$ 685,575	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 685,575
City Manager	5,185,932	-	-	-	-	-	-	-	-	-	-	5,185,932
Office of Management and Budget	1,827,115	-	-	-	-	-	-	-	-	-	-	1,827,115
18th Circuit Court	-	1,688,041	-	-	-	-	-	-	-	-	-	1,688,041
18th General District Court	-	127,301	-	-	-	-	-	-	-	-	-	127,301
Juvenile and Domestic Relations Courts	-	69,363	-	-	-	-	-	-	-	-	-	69,363
Commonwealth's Attorney	-	4,552,876	-	-	-	-	-	-	-	-	-	4,552,876
Sheriff	-	9,549,432	25,972,230	-	-	-	-	-	-	-	-	35,521,662
Clerk of Courts	-	2,065,446	-	-	-	-	-	-	-	-	-	2,065,446
Other Correctional Activities	-	4,657,132	96,511	-	-	-	-	-	-	-	-	4,753,643
Court Services	-	2,246,379	-	-	-	-	-	-	-	-	-	2,246,379
Human Rights	1,080,802	-	-	-	-	-	-	-	-	-	-	1,080,802
Internal Audit	437,457	-	-	-	-	-	-	-	-	-	-	437,457
Information Technology Services	14,405,091	156,675	-	-	-	-	1,981,060	-	-	-	-	16,542,826
Office of Communications	-	-	-	-	-	-	2,364,706	-	-	-	-	2,364,706
City Clerk and Clerk of Council	486,626	-	-	-	-	-	-	-	-	-	-	486,626
Finance	13,129,242	-	-	-	-	-	-	-	-	-	-	13,129,242
Human Resources	5,017,867	-	-	-	-	-	-	-	-	-	-	5,017,867
Planning and Zoning	-	-	-	-	-	-	7,271,460	-	-	-	-	7,271,460
Economic Development Activities	-	-	-	-	-	-	8,002,375	-	-	-	-	8,002,375
City Attorney	4,591,204	-	-	-	-	-	-	-	-	-	-	4,591,204
Registrar	1,687,181	-	-	-	-	-	-	-	-	-	-	1,687,181
General Services	537,977	-	1,326,980	13,151,192	-	-	-	-	-	-	-	15,016,149
Performance Analytics	890,125	-	-	-	-	-	-	-	-	-	-	890,125
Transportation and Environmental Services	4,721,512	-	-	21,054,081	-	-	3,142,619	-	-	-	-	- 28,918,212
Transit Subsidies	-	-	-	-	-	-		-	-	17,143,919	-	17,143,919
Fire	-	-	63,502,457	-	-	-	-	-	-	-	-	63,502,457
Police	2,333,180	775,933	68,730,992	-	-	-	-	-	-	-	-	71,840,105
Emergency Communications	-	-	9,166,320	-	-	-	-	-	-	-	-	9,166,320
Housing	-	-	-	-	-	-	2,069,296	-	-	-	-	2,069,296
Community and Human Services	1,506,032	-	-	-	15,743,957	-	-	-	-	-	-	17,249,989
Other Health Services	-	-	1,200	-	1,792,535	-	-	-	-	-	-	1,793,735
Health	-	-	-	-	8,882,663	-	188,838	-	-	-	-	9,071,501
Office of Historic Alexandria	-	-	-	-	-	4,820,111	-	-	-	-	-	4,820,111
Recreation and Cultural Activities	-	-	-	-	-	27,212,464	-	-	-	-	-	27,212,464
Other Educational Activities	15,570	-	-	-	-	-	-	258,686,800	-	-	-	258,702,370
Miscellaneous	2,890,325	-	-	1,262,983	-	-	400,071		8,336,066	-	97,669,188	110,558,633
Total Expenditures	$ 61,428,813	$ 25,888,578	$ 168,796,690	$ 35,468,255	$ 26,419,155	$ 32,032,575	$ 25,420,425	$ 258,686,800	$ 8,336,066	$ 17,143,919	$ 97,669,188	$ 757,290,464

CITY OF ALEXANDRIA, VIRGINIA
Government Employees by Function
Last Ten Fiscal Years

TABLE XVIII

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government	323	317	317	318	327	344	333	342	359	369
Judicial Administration	286	287	281	280	279	279	280	280	284	292
Public Safety	801	809	810	816	818	837	844	836	899	903
Public Works	212	223	222	212	215	217	235	249	260	260
Library	72	70	70	69	67	67	67	66	66	66
Health and Welfare	589	586	586	599	598	607	629	627	637	647
Culture and Recreation	183	175	175	179	181	183	189	192	198	207
Community Development	82	85	91	92	94	95	98	104	106	107
Education	2,268	2,426	2,489	2,519	2,585	2,607	2,649	2,649	2,661	2,709
TOTAL	4,816	4,978	5,041	5,084	5,164	5,236	5,324	5,324	5,470	5,560

Source: City of Alexandria FY 2015 - FY 2024 Approved Operating Budgets

TABLE XIX

Current Year	Employees	Percentage of Total City Employment(*)	Nine Years Ago	Employees	Percentage of Total City Employment(*)
LARGEST PUBLIC EMPLOYERS			**LARGEST PUBLIC EMPLOYERS**		
U.S. Department of Defense - Mark Center	8,000	9.91%	U.S. Department of Commerce	1,000 & over	3.41%
City of Alexandria	2,700	3.34%	U.S. Department of Defense	1,000 & over	3.41%
Alexandria Public School System	2,500	3.10%	City of Alexandria	2,547	2.88%
U.S. Dept of Commerce	2,000	2.48%	Alexandria Public Schools	2,268	2.59%
WMATA	1,400	1.73%	WMATA	500-999	0.85%
U.S. Department of Agriculture	800	0.99%	Northern Virginia Community College	500-999	0.85%
U.S. General Services Administration	600	0.74%	U.S. Department of Agriculture	500-999	0.85%
		22.29%			14.84%
LARGEST PRIVATE EMPLOYERS			**LARGEST PRIVATE EMPLOYERS**		
Inova Health System	2,500	3.10%	Inova Health System	1,000 & over	3.41%
System Plan & Analysis INC	1,900	2.35%	ABM Janitorial Srvices M Inc	500-999	0.85%
Institute for Defense Analysis	1,500	1.86%	Institute for Defense Analysis	500-999	0.85%
Goodwin House	900	1.11%	Grant Thornton LLP	500-999	0.85%
Insperity	650	0.80%	CAN Corporation	250-499	0.43%
Kearney & Company PC	650	0.80%	Oblon Spivak NcClelland PC	250-499	0.43%
Building Maintenance Services	500	0.62%	Catholic Diocese of Arlington	250-499	0.43%
		10.65%			7.25%

SOURCE: Virginia Employment Commission and Alexandria Economic Development Partnership
Quarterly Census of Employment and Wages, Q2 2024
*Employment numbers are estimates only

CITY OF ALEXANDRIA, VIRGINIA
Operating Indicators By Function
Last Ten Fiscal Years

TABLE XX

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Number of Homicides*	4	7	6	4	2	2	3	6	3	3
Response Time (minutes) from turnout to arrival met by 90% of responses to Fire Emergency Incidents	0.30972222	7:13	7:26	6:41	6:30	7:11	7:33	9:33	9:40	9:43
Response Time (minutes) from turnout to arrival met by 90% of responses to Medical Emergency Incidents	0.29236111	7:03	6:09	5:45	5:30	7:45	7:56	8:24	8:15	8:18
Public Works										
Tons of Waste Disposed Annually	20,975	21,199	21,033	22,058	22,328	22,045	22,960	23,049	22,590	21,847
Lane Miles Repaired	45	66	72	45	44	46	48	16	48	43
Acres of Impervious Surface within City	1,444	1,519	1,522	1,536	1,544	1,560	1,573	1,579	1,586	1,740
City-Wide Recycling Rate	49	49	50	48	49	52	53	54	53	**
Library										
Total number of material circulated	1,339,000	1,304,000	1,595,528	1,607,718	1,611,014	1,458,234	1,262,833	1,412,497	1,443,215	1,443,366
Number of Library Visitors and Web Users	1,288,629	1,247,355	1,303,209	1,382,324	1,556,345	1,493,926	1,121,843	1,228,567	1,389,238	1,251,917
Health and Welfare										
Number of immunizations given to the public	14,618	10,234	12,844	9,553	8,221	6,772	3,923	6,820	10,766	6,504
Average number of active participants in Women, Infants, and Children program per month	2,828	2,754	2,801	3,003	2,826	2,875	3,259	3,292	3,409	2,871
Teen Wellness Center Visits	3,440	3,167	3,800	3,720	3,398	2,888	1,863	2,503	2,297	2,449
Pharmacy (number of prescriptions)	16,233	17,567	19,173	26,742	28,355	27,852	30,207	30,251	28,673	24,949
Transit										
Annual Ridership of Bus & Trolley	4,275,682	4,108,706	3,939,351	3,892,685	3,940,251	2,844,989	1,521,928	3,019,825	4,538,202	5,310,995
Number of Metro Rail Riders Originating in Alexandria	5,364,129	5,034,745	4,306,919	4,426,213	3,861,674	2,141,993	605,820	1,540,000	1,801,106	3,338,416
Miles of service	1,714,388	1,758,689	1,857,385	1,851,653	1,966,261	2,073,300	1,844,028	2,338,240	2,787,421	2,650,599
Culture and Recreation										
Number of Registered Users in Recreation Centers and Recreation Activities***	13,745	23,806	26,423	26,403	30,014	33,127	36,376	19,652	9,323	31,266
Number of Public Special Events	197	211	136	137	165	114	117	159	244	198
Community Development										
Number of Affordable Housing Units	3,724	3,955	3,955	4,075	4,084	4,450	4,687	4,913	4,995	5,032
Assessed Value Average Residential Property	505,740	516,280	522,800	542,202	549,253	577,988	576,901	655,901	679,914	698,794
Education										
Cost per pupil	17,041	16,896	17,216	17,193	17,740	18,190	18,241	19,864	20,719	21,116
Graduation Rate	80	82	83	81	83	82	91	83	83	87

Source Virginia DOE On-Time Graduation Rate by school district has two-year lag. CityData.com Homicides

**Lag in reporting. Virginia DEQ Recyclying Rate has two-year lag.

*City of alexandria Police Crime data base

CITY OF ALEXANDRIA, VIRGINIA
Capital Indicators By Function
Last Ten Fiscal Years

TABLE XX (cont.)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Judicial Administration										
Number of foster care homes	46	46	39	47	51	53	56	56	56	35
Public Safety										
Fire vehicles	143	143	143	144	144	183	167	119	125	137
Public Works										
Paved streets	560	560	561	561	561	561	561	548	561	561
Sidewalks	319	319	319	319	319	319	319	366	320	320
Library										
Full service branches and central library	4	4	4	4	4	4	4	4	4	4
Health and Welfare										
Preventative health care sites	3	3	3	3	3	3	3	3	3	3
Transit										
DASH transit buses	74	85	85	85	85	99	99	101	101	101
Culture and Recreation										
Playgrounds	36	40	41	41	42	42	42	42	42	42
Athletic fields available for games	49	53	53	59	56	56	56	55	55	55
Acreage of park and open space	1,000	1,036	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042
Total number of facilities maintained	181	181	130	126	126	127	117	159	144	144
Community Development										
Public housing and public housing replacement u	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
Education										
Public schools	16	16	16	16	18	18	18	18	18	18

TABLE XXI

Date of Incorporation 1779
Date of City Charter 1932
Form of Government ..... Council-Manager
Number of Full-Time City Positions
(Other than Schools) 2851
Number of Full-Time Equivalent School Positions 2709

Land Area

15.75 Square Miles

Elevation

0 to 287 ft above sea level

Location

38.8210 N
77.0861 W

Climate

Average January Temperature 34.9°
Average July Temperature 79.2°

Transportation

Major Highways:
Capital Beltway (I-95)
I-395 (Shirley Highway)
U.S. Route 1
George Washington Memorial Parkway
Rail:

The City is served by the north-south routes of Amtrak. The Virginia Railway Express provides commuter service between Alexandria, Washington, D.C., Fredericksburg, and Manassas, Virginia. Freight lines entering the City are Conrail, CSX Transportation, and Norfolk Southern Company.

Washington Metropolitan Area Transit Authority (WMATA) provides rail transit to the Washington Metro area. Five of the systems stations are located in Alexandria.

Air:

Ronald Reagan Washington National Airport is only minutes away from any location within the City.

Dulles International Airport provides international and longer domestic travel.

Ground:

The City is served by local bus service provided by the Alexandria Transit Company.

The City is served by the local and express buses of the Washington Metropolitan Area Transit Authority (METRO) and the Fairfax Connector.

Individualized service is available through privately owned taxicab fleets.

Port Facilities:

The port of Alexandria has two docks for ocean-going freighters and two major public docks. The 24-foot deep Potomac River channel runs the length of the Alexandria waterfront.

Population

2024 Resident Population (Estimate) 166,000
Number of Households (2018-2022 U.S. Census ACS) 74,818
Household Size (2018-2022) ..... 2.09 Persons Per Unit
2023 Population by Race (2018-2022 U.S. Census ACS):
White 56.7%
Black or African American 21.3%
Native American 0.3%
Asian and Pacific Islanders 6.4%
Multi-Racial 10.0%
Hispanic (All Races) 16.6%

2023 Population by Age and Sex (U.S. Census Bureau Estimate):
Persons under 5 years 6.8%
Persons under 18 years 18.1%
Persons 65 + years ..... 12.3 %
Female Persons 51.4%

Registered Voters
June 2024 101,533
Temporary Assistance to Needy Families
(Cases) - Monthly Average, 2024……..…475
Food Stamps (Cases) - Monthly Average, 2024……..…….12,305
Medicaid (Cases) - Monthly Average, 2024……..…...20,149

Economy

Employed Residents, June 2024……....102,138
Unemployed Residents, June 2024……...….……2,492
Unemployed Rate, June 20234…….…… 2.4%
Washington PMSA Inflation Rate, based
on Consumer Price Index, for FY 2024…….….3.3%

TABLE XXI (Continued)

Housing	2024	2023
Total Housing Units	83,953	83,056
Type of Single-Family Housing		
Detached	9,118	9,124
Semi-Detached	5,895	5,876
Rowhouse	6,781	6,717
Condo Townhouse	1,547	1,531
Total Single-Family	23,341	23,248
Garden Condominium	10,872	10,824
High Rise and Cooperative Condominium	8,460	8,418
Rental Apartments	41,280	40,488
Public Housing and Public Housing Replacement Units	1,150	1,150
Average Assessed Value of Single-Family Homes	$962,276	$940,375
Average Assessed Value of Condominiums	$423,765	$40,7616
Average Market Rents Efficiency	$1,760	$1,610
1 Bedroom Apartment	$2,200	$2,050
2 Bedroom Apartment	$2,780	$2,570
3 Bedroom Apartment	$3,060	$2,830

Communications

Television:
All major networks plus cable
Local Newspapers:
Alexandria Gazette Packet (weekly)
Regional Newspapers:
Washington Post
Washington Times
Washington Examiner
Radio:
50 major and minor radio stations in metropolitan area

Miles of Streets, Sidewalks and Alleys

Streets:
Paved - Lane miles 561
Sidewalks miles 320
Alleys, Paved miles 0.0

Utilities

Telephone ..... various
Electric ..... Dominion Virginia Power
Gas ..... Washington Gas
Water ..... Virginia - American Water Company
Sewer ..... Alexandria Renewal Enterprises
Cable ..... Comcast Communications

Public Recreation

Acreage 1,042
Facilities:
Playground Areas 42
Swimming Pools 4
Gymnasiums (doesn't include schools) 7
Basketball Courts (outdoor, schools, half courts) 32
Tennis Courts (includes schools) 26
Multi-Use Courts (includes schools) 24
Playing Fields (include schools do not include overlays) 55

Medical Facilities — Beds

Hospital:
INOVA Alexandria Hospital 318
Nursing Homes:
Alexandria Rehabilitation and Healthcare Center 111
George Washington Health & Rehabilitation 96
Goodwin House Alexandria 80
Mount Vernon Healthcare Center 130
Woodbine Rehabilitation & Healthcare Center 307

Libraries — Number

Central Library 1
Full-service branches 3
(Books and other materials for home use as well as electronic and print reference service)
Local History – Special Collections I 1
Talking book service 1

Education

Public Schools: — Number
Elementary 15
Middle 2
High School 1
Parochial and Private Schools 39

Higher Education:
Located within the City are the Alexandria campus of Northern Virginia-Community College, Regent University, and the Episcopal Theological Seminary. Nearby institutions include George Mason, George Washington, American, Catholic, Georgetown, and Howard Universities.

Financial Institutions

Commercial Banks 15
Credit Unions 11

Lodging (FY 2024)

Alexandria Available Hotel Rooms 4,686
Alexandria Hotel Occupancy 66.9%
National Hotel Occupancy (as of June 2024) 62.9%
Alexandria Average Daily Rate $176.30
National Average Daily Rate (as of June 2024) $157.19

SOURCE: Visit Alexandria

CITY OF ALEXANDRIA, VIRGINIA
Five-Year Summary of General Fund Revenues and Expenditures
As of June 30, 2024

Table XXII

	2020	2021	2022	2023	2024
Revenues					
General Property Taxes	$ 517,263,555	$ 534,770,027	$ 552,540,913	$ 582,975,505	$ 601,982,933
Other Local Taxes	128,170,493	131,506,114	148,875,492	152,409,150	158,907,657
Permits, Fees, and Licenses	1,387,070	4,185,341	2,202,262	2,683,307	3,026,166
Fines and Forfeitures	4,052,312	3,076,876	2,694,652	3,129,147	6,131,452
Use of Money and Property	8,610,954	3,149,630	1,115,117	20,186,948	30,017,827
Charges for Services	11,215,075	10,681,086	15,203,509	17,312,775	17,374,352
Intergovernmental Revenues	56,885,336	59,552,814	56,268,765	59,286,179	35,610,144
Interest from Lease	-	-	52,798	212,764	358,798
Miscellaneous	1,966,605	1,921,463	2,597,949	5,140,380	16,988,115
Total Revenues	729,551,400	748,843,351	781,551,457	843,336,155	870,397,444
Other Financing Sources					
Operating Transfers In	9,291,882	9,246,427	45,584,494	14,233,764	15,045,709
Refunding Bonds	-	49,887,196	11,782,546	-	-
Total Other Financing Sources	9,291,882	59,133,623	57,367,040	14,233,764	15,045,709
Total Revenues and Other Financing Sources	738,843,282	807,976,974	838,918,497	857,569,919	885,443,153
Expenditures					
Current					
General Government	46,141,615	52,615,276	56,619,999	66,364,403	61,428,813
Judicial Administration	20,640,006	19,773,623	20,440,688	22,545,469	25,888,578
Public Safety	147,712,011	142,367,202	147,184,920	157,867,952	168,796,690
Public Works	29,164,816	25,638,460	27,917,451	28,753,194	35,468,255
Library	7,095,682	7,379,204	7,680,826	8,149,962	8,336,066
Health and Welfare	20,703,485	20,962,751	21,726,647	22,769,857	26,419,155
Transit	16,570,690	2,478,947	18,681,843	17,435,975	17,143,919
Culture and Recreation	25,814,160	24,292,705	26,704,089	30,835,418	32,032,575
Community Development	19,715,477	20,174,219	21,667,205	24,424,539	25,420,425
Education	231,685,624	234,037,296	239,437,296	248,737,300	258,686,800
Debt Services					
Principal Retired	43,809,930	44,965,570	42,992,958	47,904,788	66,329,479
Interest and Fiscal Charges	21,909,241	19,638,000	19,656,254	24,019,704	31,339,709
Total Expenditures	630,962,737	614,323,252	650,710,176	699,808,559	757,290,464
Other Financing Uses					
Payment to Refunded Bonds					
Escrow Agent	-	49,618,630	11,710,136	-	-
Operating Transfers Out	101,197,911	120,356,796	127,261,747	159,822,821	149,290,681
Total Other Financing Uses	101,197,911	169,975,426	138,971,883	159,822,821	149,290,681
Total Expenditures and Other Financing Uses	732,160,647	784,298,678	789,682,059	859,631,380	906,581,145
Revenues and Other Financing Sources					
Over/(Under) Expendiures and Other Financing	6,682,634	23,678,295	49,236,438	(2,061,461)	(21,137,992)
Fund Balances at Beginning of Year	143,214,706	152,800,030	176,644,513	225,137,606	223,690,191
Increase (Decrease) in Reserve for Inventory	2,902,690	166,188	(743,345)	614,046	(37,374)
FUND BALANCES AT END OF YEAR	$ 152,800,030	$ 176,644,513	$ 225,137,606	$ 223,690,191	$ 202,514,825

CITY OF ALEXANDRIA, VIRGINIA
Summary of Total
General Obligation Bonds
Debt Service
As of June 30, 2024

TABLE XXIII

Table XXIII

Fiscal Year	Total Principal	Total Interest	Total
FY 2025	69,189,000	42,249,142	111,438,142
FY 2026	67,211,000	39,321,534	106,532,534
FY 2027	64,782,000	36,416,771	101,198,771
FY 2028	68,444,000	33,474,485	101,918,485
FY 2029	68,684,000	30,531,503	99,215,503
FY 2030	65,922,000	27,864,340	93,786,340
FY 2031	61,614,000	25,396,354	87,010,354
FY 2032	57,804,000	23,052,211	80,856,211
FY 2033	53,690,000	20,910,327	74,600,327
FY 2034	47,040,000	18,910,343	65,950,343
FY 2035	48,590,000	17,167,240	65,757,240
FY 2036	47,780,000	15,496,564	63,276,564
FY 2037	47,805,000	13,818,744	61,623,744
FY 2038	44,765,000	12,178,848	56,943,848
FY 2039	36,655,000	10,668,871	47,323,871
FY 2040	34,910,000	9,358,384	44,268,384
FY 2041	35,305,000	8,121,806	43,426,806
FY 2042	34,630,000	6,867,950	41,497,950
FY 2043	27,950,000	5,724,425	33,674,425
FY 2044	22,860,000	4,804,825	27,664,825
FY 2045	14,580,000	4,155,550	18,735,550
FY 2046	15,065,000	3,665,200	18,730,200
FY 2047	15,575,000	3,158,075	18,733,075
FY 2048	16,095,000	2,633,575	18,728,575
FY 2049	16,630,000	2,091,300	18,721,300
FY 2050	17,195,000	1,530,450	18,725,450
FY 2051	17,770,000	950,325	18,720,325
FY 2052	5,900,000	537,400	6,437,400
FY 2053	6,145,000	296,500	6,441,500
FY 2054	4,340,000	86,800	4,426,800
Total	$ 1,134,925,000	$ 421,439,843	$ 1,556,364,843

SINGLE AUDIT

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Members of the City Council
City of Alexandria, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Alexandria, Virginia (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 16, 2024.

Our audit includes a reference to other auditors who audited the financial statements of the discretely presented component unit, the City of Alexandria Library System. The financial statements of the City of Alexandria Library System were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with City of Alexandria Library System.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, as items 2024-001 and 2024-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Arlington, Virginia
December 16, 2024, except for finding 2024-002, as to which the date is March 19, 2025

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and Members of the City Council
City of Alexandria, Virginia,

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the City of Alexandria, Virginia's (the City), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of Alexandria Library, a component unit of the City, which may receive federal awards that are not included in the accompanying Schedule of Expenditures of Federal Awards. Our audit, described below, did not include the operations of the Alexandria Library because the auditor was engaged to perform a separate audit in accordance with the Uniform Guidance.

Qualified Opinion on Head Start Cluster Program

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Head Start Cluster for the year ended June 30, 2024.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2024.

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Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified and unmodified opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion

As described in the accompanying schedule of findings and questioned costs, the City did not comply with the requirement regarding Assistance Listing No. 93.600-Head Start Cluster as described in findings number 2024-003 for Subrecipient monitoring and 2024-004 for Reporting.

Compliance with the requirement is necessary, in our opinion, for the City to comply with the requirement applicable to that program.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of the operations of Alexandria Library, which expended in federal awards which is not included in City's schedule of expenditures of federal awards during the year ended June 30, 2024. Our compliance audit, described in the Opinion on Each Major Federal Program, does not include the operations of the Alexandria Library because the auditor was engaged to perform a separate audit in accordance with the Uniform Guidance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-005. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-003 and 2024-004 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-005 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

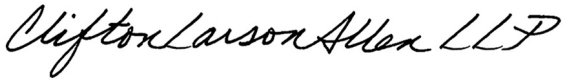
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 16, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

Honorable Mayor and Members of the City Council
City of Alexandria, Virginia

In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Arlington, Virginia
March 19, 2025

CITY OF ALEXANDRIA, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Recipient State Agency/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department Of Agriculture				
Pass Through Payments:				
Department of Agriculture and Consumer Services (301 535-06):				
Food Insecurity Nutrition Incentive - FINI - DCHS	10.331	N/A	$ -	$ 5,025
Compost and Food Waste Reduction - USDA CFWR Cooperative	10.935	USDA/NRCS	-	249,876
Virginia State Department of Education (197 457-07)				
Child Nutrition Cluster:				
School Breakfast Program	10.553	N/A	-	1,919,391
School Lunch Program	10.555	N/A	-	6,054,700
CN-SNP COVID Emergency Cost - Schools	10.555	Program# 403120	-	1,425
Department of Agriculture and Consumer Services (301 535-06):				
National School Lunch Program - Schools	10.555	Agency # 00 480	-	617,714
Subtotal 10.555			-	6,673,839
Commodity Food Distribution - Schools	10.559	Program # 403111	-	102,018
Subtotal 10.559			-	102,018
Total Child Nutrition Cluster			-	8,695,248
SNAP Cluster:				
State Administrative Matching for Supplemental Nutrition Assistance Program	10.561	LASER	-	3,968,441
Subtotal SNAP Cluster			-	3,968,441
Virginia State Department of Education (197 457-07)				
CN-Child and Adult Food Care Prg-Emergency Costs - Schools	10.558	Program # 403120	-	172,167
Subtotal 10.558			-	172,167
Fresh Fruits and Vegetable Program - Schools	10.582	N/A	-	68,030
SNP Local EBT - Schools	10.649	N/A	-	6,180
Total U.S. Department Of Agriculture			-	13,164,967
U.S. Department Of Education				
Pass Through Payments:				
Virginia State Department of Education:				
Adult Literacy Services - Federal	84.002	OMEGA-State Allocation	-	154,978
Title 1 Grants to Local Educational Agencies	84.010	OMEGA-State Allocation	-	3,758,784
Title 1 State Agency Program for Neglected and Delinquent Children	84.013	OMEGA-State Allocation	-	11,011
Special Education Cluster:				
Special Education Grants to States	84.027	OMEGA-State Allocation	-	3,533,200
Special Education Grants to States Supplemental Secondary Transition Grant	84.027A	OMEGA-State Allocation	-	2,165
COVID-19 American Rescue Plan (ARP) Elementary and Secondary Schools Emergency Relief Fund III for Special Education_Grants to States	84.027X	State Allocation	-	34,761
COVID-19 American Rescue Plan (ARP) Elementary and Secondary Schools Emergency Relief Fund III for Special Education_Preschool Grants	84.173X	State Allocation	-	36,376
Special Education Preschool Grants	84.173	OMEGA-State Allocation	-	103,273
Subtotal for Special Education Cluster			-	3,709,775
Career and Technical Education - Basic Grants to States	84.048	OMEGA-State Allocation	-	330,997
Migrant Education High School Equivalency Program (HEP) PIE-MH/MR/SA	84.181	State Allocation	-	155,161
Education for Homeless Children and Youth	84.196	OMEGA-State Allocation	-	11,460
Twenty-First Century Community Learning Centers	84.287	OMEGA-State Allocation	-	951,035
English Language Acquisition Grants	84.365	OMEGA-State Allocation	-	488,955
Improving Teacher Quality State Grants	84.367	OMEGA-State Allocation	-	687,579
Student Support and Academic Enrichment Grants	84.424	OMEGA-State Allocation	-	328,978
Education Stabilization Fund (ESF):				
COVID-19 CRRSA-Act - Elementary and Secondary School Emergency Relief Fund II		State Allocation	-	-
COVID-19 CRRSA-Act - Elementary and Secondary School Emergency Relief Fund II	84.425D	State Allocation	-	267,523
Emergency Relief Fund III	84.425U	State Allocation	-	16,320,605
COVID-19 American Rescue Plan (ARP) Elementary and Secondary Schools Emergency Relief Fund III for Homeless Children and Youth	84.425W	State Allocation	-	63,260
Total Education Stabilization Fund (ESF)			-	23,489,738
Total U.S. Department of Education			-	27,240,101

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF ALEXANDRIA, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

Federal Grantor/Recipient State Agency/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department Of Health And Human Services				
Direct Payments:				
Administration for Children, Youth and Families				
Affordable Care Act (ACA) Personal	93.092	N/A	$ -	$ 334,875
Block Grant for Community Mental Health Services	93.958	N/A	-	330,967
Head Start Cluster	93.600	N/A	2,958,531	2,958,531
Total Direct Payments			2,958,531	3,624,373
Pass Through Payments: State of Virginia				
Trans-NIH Research Support - Schools	93.310	State Allocation	-	383,870
Department of Health:				
Injury Prevention and Control Research and State and Community Based	93.136	State Allocation	-	58,807
NACCHO Disabilities	93.421	State Allocation	-	11,748
NCOA Community Action Grant	96.480	State Allocation	-	40,962
Every Student Succeeds Act/Federal Preschool Development Grant - DCHS	93.434	State Allocation	-	196,577
Department of Mental Health and Mental Retardation:				
Substance Abuse and Mental Health Services	93.243	none	-	52,585
State Health Insurance Assistance Program	93.324	State Allocation	-	41,570
Block Grant for Community Mental Health Services - MH FBG SMI	93.958	State Allocation	-	567,045
Projects for Assistance in Transition from Homelessness	93.150	State Allocation	-	105,823
Block Grant for Prevention and Treatment of Substance Abuse	93.959	State Allocation	-	405,085
State of Virginia Department for the Aging:				
Aging Cluster:				
Special Programs for the Aging				
Special Programs for the Aging_Title III Part_D_Disease				
Prevention and Health Promotion Services	93.043	State Allocation	-	220
Title III Part B Supportive Svces and Senior Centers	93.044	State Allocation	-	306,784
Special Programs for the Aging Adults Day Health Care Svces	93.044	State Allocation	-	41,573
Title IIIC - Nutritional Services	93.045	State Allocation	-	437,133
Total Aging Cluster			-	785,710
Virginia State Department Of Education (197 457-07)				
Pass Through Payments: State of Virginia				
Virginia Department of Social Services:				
Title IV-E Prevention Program	93.472	Laser	-	40,648
Promoting Safe and Stable Families	93.556	Laser	-	31,140
Temporary Assistance for Needy Families Cluster:				
Temporary Assistance for Needy Families - SW	93.558	State Allocation	-	5,084
Temporary Assistance for Needy Families	93.558	Laser	-	839,306
Subtotal Temporary Assistance for Needy Families Cluster			-	916,178
Social Service Block Grant	93.667	State Allocation	-	177,954
Social Service Block Grant - CSBG TANF-EA	93.667	Laser	-	1,780,462
Subtotal Social Service Block Grant			-	1,958,416
Adoption Incentive Funds	93.603	Laser	-	6,000
Refugee Cash Assistance - State Administered Programs	93.566	Laser	-	299,063
Community Services Block Grant	93.569	State Allocation	-	122,874
Low Income Home Energy Assistance	93.568	Laser	-	158,458
Child Care Cluster:				
Pass Through Payments: Fairfax County Virginia				
Child Care and Development Block Grant - ACPS	93.575	State Allocation	-	10,982
Child Care Mandatory				
Guardianship Assistance (children & Families) - GAP	93.090	Laser	-	5,045
Matching Funds of the Childcare and Development Fund	93.596	Laser	-	215,886
Total Child Care Cluster			-	231,913
Medical Cluster:				
Medical Assistance Program	93.778	Laser	-	3,087,695
Total Medical Cluster			-	3,087,695
Opioid STR	93.788	Laser	-	179,724
Chafee Education and Training Vouchers	93.599	Laser	-	6,648
Foster Care Title IV - E	93.658	Laser	-	1,003,981
Adoption Assistance	93.659	Laser	-	1,581,079
Chafee Foster Care Independence Program	93.674	Laser	-	7,113
Children's Health Insurance Program	93.767	Laser	-	36,321
Total Pass Through Payments			-	12,245,245
Total U.S. Department Of Health And Human Services			2,958,531	15,869,618

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF ALEXANDRIA, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

Federal Grantor/Recipient State Agency/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department Of Homeland Security				
Pass Through Payments				
Emergency Management Performance Grants	97.042	State Allocation	$ -	$ 54,525
Assistance to Firefighters Grant	97.044	State Allocation	-	33,588
Homeland Security Grant Program	97.067	State Allocation	-	441,741
Total Pass Through Payments			-	529,854
Total U.S. Department Of Homeland Security			-	529,854
U.S. Department Of Housing And Urban Development				
Direct Payments:				
Continuum of Care Program	14.267	N/A	-	75,890
Community Development Block Grant Program				
Entitlement Grants Cluster:				
Community Development Block Grant Program, Entitlement Grants	14.218	N/A	-	1,220,772
Total Direct Payments			-	1,296,662
Pass Through Payments				
Supportive Housing Program	14.235	N/A	-	105,370
COVID-19 HOME ARP Grant Program	14.239	N/A	-	151,018
Home Investment Partnerships Program	14.239	N/A	-	41,193
Subtotal HOME Program			-	192,211
Total Pass Through Payments			-	297,581
Total U.S. Department Of Housing And Urban Development			-	1,594,243
U.S. Department Of Justice				
Direct Payments:				
Drug Court Discretionary Grant Program	16.585	N/A	-	94,531
Edward Byrne Memorial JAG grant	16.738	N/A	-	89,927
Byrne Discretionary	16.753	N/A	-	1,000,000
Total Direct Payments			-	1,184,458
Pass Through Payments:				
Department of Criminal Justice Services (140-390-01)				
Sexual Assault Services Formula Program	16.017	State Allocation	-	32,141
Crime Victim Assistance	16.575	State Allocation	-	189,418
Crime Victim Assistance - SADVGP	16.575	99.998 / 16.800	-	396,188
Subtotal Crime Victims Assistance			-	585,606
Violence Against Women Formula Grants	16.588	State Allocation	-	25,000
Youth Gang Prevention	16.544	State Allocation	-	1,710
Violence Against Women Formula Grants - VSTOP Domestic Violence	16.588	State Allocation	-	42,799
Office of Violence Against Women (OVW)-DCHS	16.888	State Allocation	-	76,055
Subtotal Violence Against Women			-	118,854
Total Pass Through Payments			-	1,348,917
Total U.S. Department Of Justice			-	1,947,769
U.S. Department Of Labor				
Pass Through Payments:				
Department of Labor and Industry				
National Dislocated Worker Grants	17.277	State Allocation	-	1,200
Workforce Investment Act Cluster:				
WIOA Adult Program	17.258	LWA 12-09	-	192,244
WIOA Youth Activities	17.259	LWA 12-09	-	210,188
WIOA Employment Training Administration	17.278	LWA 12-09	-	87,199
WIOA Dislocated Worker Formula Grants - ACPS	17.278	State Allocation	-	10,021
Subtotal WIOA			-	97,220
Total WIOA Cluster			-	499,652
Total U.S. Department Of Labor			-	500,852

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF ALEXANDRIA, VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

Federal Grantor/Recipient State Agency/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department Of Transportation				
Pass Through Payments:				
Virginia Department of Transportation				
HPCC Cluster:				
Highway Planning and Construction - DRPT	20.205	State Allocation	$ -	$ 328,992
Highway Planning and Construction - VDOT	20.205	State Allocation	-	1,009,971
Total HPCC Cluster			-	1,338,963
Alcohol Open Container Requirements	20.607	State Allocation	-	26,485
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	State Allocation	-	316
Total Pass Through Payments			-	1,365,764
Total U.S. Department Of Transportation			-	1,365,764
U.S. Department Of Treasury				
Direct Payments:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - CSLFRF (ARPA)				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - CSLFRF (ARPA)	21.027	ARPA-CSLFRF	1,578,718	4,158,065
COVID-19 American Rescue Plan (ARP) - DCHS	21.027	ARPA-CSLFRF	-	270,224
Total U.S. Department Of Treasury			1,578,718	4,428,289
U.S. Equal Employment Opportunity Commission				
Direct Payments:				
Employment Discrimination				
State and Local Fair Employment Practices Agency Contracts	30.002	N/A	-	32,090
Total U.S. Equal Employment Opportunity Commission			-	32,090
U.S. National Endowment For The Humanities				
Direct Payments:				
Museum Grants for African American History and Culture (2022)	45.309	AAHC-FY22	-	53,325
Total U.S. National Endowment For The Humanities			-	53,325
Other Federal Aid				
Direct Payments:				
EMS Two For Life	99.998	N/A	-	89,356
High Intensity Drug Trafficking Area	98.473	N/A	-	153,219
Total Other Federal Aid			-	242,575
Total Federal Expenditures			$ 4,537,249	$ 66,969,447

See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards (the Schedule) includes all federal grant activity of the City of Alexandria, Virginia, Alexandria City Public Schools, and Alexandria Transit Company (DASH) during fiscal year 2024. The City's basic financial statements include the operations of Alexandria Library, a component unit of the City, which may receive federal awards that are not included in the accompanying Schedule of Expenditures of Federal Awards.

The City's reporting entity is defined in Note 1 of the City's basic financial statements. federal awards are received directly, as well as passed through other governmental agencies.

This Schedule has been prepared on the modified accrual basis of accounting. Expenditures are recorded when the liability is incurred. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE 2 INDIRECT COSTS

The City and the Alexandria City Public Schools did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 RECONCILIATION OF NOTES TO FINANCIAL STATEMENTS TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The City receives and expends federal revenues that are non-grant related and therefore not reportable under the Schedule. A reconciliation of the Schedule to Note 12 in the notes to the financial statements, Intergovernmental Revenues, is provided below:

Total Federal Expenditure per Schedule	$ 66,969,447
Nonreportable Federal Revenue	7,091,517
Total Federal Revenue per Note 12	$ 74,060,964

NOTE 4 FEDERAL COGNIZANT AGENCY

The Federal Cognizant Agency for the City of Alexandria, Virginia, is the United States Department of Housing and Urban Development.

CITY OF ALEXANDRIA, VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
   - Material weakness(es) identified? _____ yes ____x____ no
   - Significant deficiency(ies) identified? ____x____ yes _____ none reported
3. Noncompliance material to financial statements noted? _____ yes ____x____ no

Federal Awards

1. Internal control over major federal programs:
   - Material weakness(es) identified? ____x____ yes _____ no
   - Significant deficiency(ies) identified? ____x____ yes _____ none reported
2. Type of auditors' report issued on compliance for major federal programs: See below
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____x____ yes _____ no

Identification of Major Federal Programs

Major Program	Assistance Listing Number	Opinion
State Administrative Matching for Supplemental Nutrition Assistance Program Cluster	10.561	Unmodified
COVID-19 Coronavirus State and Local Recovery Funds	21.027	Unmodified
Medical Assistance Program Cluster	93.778	Unmodified
Head Start Cluster	93.600	Qualified
Social Service Block Grant	93.667	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: $2,009,083

Auditee qualified as low-risk auditee? ____x____ yes _____ no

Section II – Financial Statement Audit

Finding 2024-001 – Financial Reporting Process

Significant Deficiency in Internal Control over Financial Reporting

Condition:

The City's Annual Comprehensive Financial Report (ACFR) as presented for audit, did not contain all necessary adjustments to comply with generally accepted accounting principles (GAAP). Internal controls over financial reporting were not consistently performed to prevent or detect misstatements during the preparation of the ACFR and proposed adjustments were required.

Criteria:

Statements on Auditing Standards (AU-C 200.14) requires that management acknowledge and understand that they have responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In addition, the internal Control-Integrated Framework (COSO Report) requires adequate internal controls over financial reporting to ensure that transactions are properly recorded and accounted for to permit the preparation of reliable financial statements and demonstrate compliance with laws, regulations and other compliance requirements. Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.

Context:

Adjustments were made throughout the audit to several accounts and financial statement groups including, cash and cash equivalents, tax receivables, due from other funds, prepaid items, fixed assets and lease liability.

Effect:

The City's Annual Comprehensive Financial Report (ACFR) as presented for audit, was not prepared in accordance with generally accepted accounting principles.

Cause:

The internal controls over financial reporting were not consistently performed to prevent or detect misstatements during the preparation of the ACFR and proposed adjustments were required.

Repeat Finding:

No

Recommendation:

We recommend that the City continue to strengthen its internal controls over financial fund reporting to ensure the financial statements are in accordance with General Accepted Accounting Principles.

Section II – Financial Statement Audit (Continued)

Finding 2024-001 – Financial Reporting Process (Continued)

Significant Deficiency in Internal Control over Financial Reporting

Views of Responsible Officials and Planned Corrective Actions:

There is no disagreement with the audit finding. Turnover in the Accounting Division during the fiscal year and at the start of the year-end close process put significant pressure on remaining staff to perform all of the normal and necessary reconciliations across a number of accounts. The new Comptroller has a plan in place to ensure that work is performed in a timely and accurate manner.

Finding 2024-002 – Reporting – Schedule of Expenditures of Federal Awards (SEFA)

Significant Deficiency in Internal Control over Financial Reporting

Condition:

The Schedule of Expenditures of Federal Awards (SEFA) contained errors related to the amount provided to subrecipients.

Criteria:

2 CFR part 200.510 states that the auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended. At a minimum, the schedule must:

1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

3) Provide total Federal awards expended for each individual Federal program and then Assistance Listing Number or other identifying number when the Assistance listing information is not available. For a cluster of programs, also provide the total for the cluster.

4) Include the total amount provided to subrecipients from each Federal program.

Context:

The City did not report subrecipient expenditures for the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) ALN#21.027 totaling $1,578,718 and the HeadStart program ALN#93.600 total $2,958,531.

Section II – Financial Statement Audit (Continued)

Finding 2024-002 – Reporting – Schedule of Expenditures of Federal Awards (SEFA) (Continued)

Significant Deficiency in Internal Control over Financial Reporting

Effect:

The amount reported as subrecipients expenditures on the SEFA was initially omitted.

Cause:

The City's system does not currently separate pass-through amounts. Previous practice was to report total expenditures and to work with the external auditor during their review to group them appropriately and to subsequently record the pass-through amounts.

Repeat Finding:

No

Recommendation:

We recommend the City review its process for identifying and reporting subrecipient activities.

Views of Responsible Officials and Planned Corrective Actions:

There is no disagreement with the audit finding and the City will review and refine its process for identifying and reporting subrecipient activities to ensure appropriate compliance.

Section III – Major Federal Award Program Audit

Reference Number:	2024 – 003
Federal Agency:	Department of Health and Human Services
Federal Program Name:	HeadStart
Assistance Listing Number:	93.600
Federal Award Identification Number and Year:	03CH011220-04-00, 2023
	03CH011220-05-00, 2024
Award Period:	9/1/2022-8/31/2023
	9/1/2023-8/31/2024
Compliance Requirement:	Subrecipient Monitoring
Type of Finding:	Material Weakness in Internal Control over Compliance, Material Noncompliance

Criteria or Specific Requirement:

Compliance: Per 2 CFR 200 § 200.332(a)1 (d) a non-Federal entity should monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

Internal Control:

Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition:

The Department of Community and Human Services (DCHS) did not provide documentation to support monitoring of the subrecipient’s activities.

Questioned Costs:

None

Context:

DCHS has one sub awardee and issued a subaward in the amount of $2,822,089.

Cause:

DCHS’ procedures did not maintain supporting documentation of subrecipient monitoring activities.

Section III – Major Federal Award Program Audit (Continued)

Reference Number: 2024 – 003 (Continued)

Compliance Requirement: Subrecipient Monitoring

Effect:

DCHS was unable to provide evidence they were in compliance with subrecipient monitoring requirements.

Repeat Finding:

No

Recommendation:

We recommend that DCHS enhance procedures to ensure that sub recipient monitoring activities are documented, and evidence of compliance readily available for review.

Views of Responsible Officials:

There is no disagreement with the audit finding and new personnel in the Department of Community and Human Services will ensure that all required monitoring is performed and documented in a timely manner.

Section III – Major Federal Award Program Audit (Continued)

Reference Number:	2024 – 004
Federal Agency:	Department of Health and Human Services
Federal Program Name:	HeadStart
Assistance Listing Number:	93.600
Federal Award Identification Number and Year:	03CH011220-04-00, 2023
	03CH011220-05-00, 2024
Award Period:	9/1/2022-8/31/2023
	9/1/2023-8/31/2024
Compliance Requirement:	Reporting: Federal Funding Accountability and Transparency Act
Type of Finding:	Material Weakness in Internal Control over Compliance, Material Noncompliance

Criteria or Specific Requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of $30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to $30,000. If the initial award is below $30,000 but subsequent grant modifications result in a total award equal to or over $30,000, the award will be subject to the reporting requirements as of the date the award exceeds $30,000. If the initial award equals or exceeds $30,000 but funding is subsequently de-obligated such that the total award amount falls below $30,000, the award continues to be subject to FFATA reporting requirements.

The following key data elements must be reported: Subawardee Name and Data Universal Numbering System (DUNS) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and $25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Internal Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section III – Major Federal Award Program Audit (Continued)

Reference Number: 2024 – 004 (Continued)

Compliance Requirement: Reporting: Federal Funding Accountability and Transparency Act

Condition:

The Department of Community and Human Services (DCHS) did not report subaward information to the FFATA Subaward Reporting System (FSRS) in accordance with Federal Funding Accountability and Transparency Act (FFATA) requirements. As the prime award recipient DCHS is responsible for ensuring that all reporting requirements are met within the required timeframe.

Context:

The sole fiscal year 2024 subaward issued by DCHS was not reported to FSRS. In addition, the Department was unable to produce documentation supporting their review and approval of the tested FFATA reports prior to submission in the FSRS system.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
1	1	0	0	0
Dollar Amount of Tested Transactions	**Subaward not reported**	**Report not timely**	**Subaward amount incorrect**	**Subaward missing key elements**
$2,822,089	$2,822,089	0	$0	$0

Cause:

DCHS' procedures and internal controls were not sufficient to ensure that the subaward reporting requirement was performed within the requirement time frame.

Effect:

DCHS is not in compliance with the FFATA reporting requirement.

Questioned Costs:

None.

Recommendation:

We recommend that DCHS review procedures and internal controls to ensure that the required subawards are reported timely and accurately to FSRS no later than the end of the month following the month of issuance of each subaward. Documentation of supporting compliance should be readily available for review.

Section III – Major Federal Award Program Audit (Continued)

Reference Number:	2024 – 004 (Continued)
Compliance Requirement:	Reporting: Federal Funding Accountability and Transparency Act

Views of Responsible Officials:

There is no disagreement with this finding. The reporting has been completed. New employees will be trained in the procedures and internal controls to ensure that the required subawards are reported timely and accurately to FSRS no later than the end of the month following the month of issuance of each subaward. Documentation will be available for review during the audit period.

Reference Number:	2024 – 005
Federal Agency:	Department of Health and Human Services
Federal Program Name:	Coronavirus State and Local Fiscal Recovery Fund
Assistance Listing Number:	21.027
Federal Award Identification Number and Year:	N/A, 2024
Award Period:	7/1/2023-6/30/2024
Compliance Requirement:	Suspension and Debarment
Type of Finding:	Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or Specific Requirement:

Compliance: 2 CFR section 200.318, which include oversight of contractors' performance, maintaining written standards of conduct for employees involved in contracting, awarding contracts only to responsible contractors, and maintaining records to document history of procurements. 2 CFR 200.213 Suspension and Debarment restricts awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities:
a) Checking SAM Exclusions; or
b) Collecting a certification from that person; or
c) Adding a clause or condition to the covered transaction with that person.

Internal Control:

Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section III – Major Federal Award Program Audit (Continued)

Reference Number: 2024 – 005 (Continued)

Compliance Requirement: Suspension and Debarment

Condition:

The City was unable to provide documentation of a vendor's suspension and debarment status. The City is required to review and document a vendor's suspension and debarment status prior to contracting with the vendor. We noted that the City did not document the vendor's status in accordance with the federal requirements.

Questioned Costs:

None

Context:

Two of the two vendors selected for the fiscal year 2024 testing did not have evidence of the vendor's suspension and debarment status prior to the contract date.

Cause:

The contractors selected for testing were not updated to include the suspension and debarment clause.

Effect:

The City is unable to document compliance with suspension and debarment status prior to contracting with the vendor.

Repeat Finding:

No

Recommendation:

We recommend that the City review and enhance current procedures to ensure that the vendor's suspension and debarment status is documented prior to contracting with the vendor.

Views of Responsible Officials:

There is no disagreement with the audit finding and new personnel in the Department of Community and Human Services will ensure that all required monitoring is performed and documented in a timely manner.

City of Alexandria, Virginia
Finance Department
P.O. Box 178
Alexandria, Virginia 22313
alexandriava.gov/finance