



# Multi-Year Budget Planning

## TWO-YEAR PRESENTATION OF GENERAL FUND OPERATING REVENUE/EXPENDITURES

As part of the City's efforts to produce a financially sustainable budget and plan to address the future needs of the community, the annual operating budget includes a two-year forecast of expenditures by department and a five-year forecast of expenditures by major category to compare to revenue estimates and illustrate the impact of the current operating budget and Capital Improvement Program (CIP) on future fiscal years.

The following table illustrates that if FY 2027 General Fund expenditures grow at a 3.6% rate consistent with recent history and revenues grow by 2.2% as forecast, then the City would need to address a \$14 million shortfall in the FY 2027 budget process through expenditure reductions, tax and fee rate increases, or both.

	FY 2025	FY 2026	FY 2027
<b>Revenue</b>	<b>Approved</b>	<b>Approved</b>	<b>Estimate</b>
Real Estate Tax	545.4	558.0	571.9
Personal Property	75.6	81.0	83.1
Other Local Taxes	161.7	164.7	168.8
Fees, Fines, & Charges	25.8	28.0	28.7
Intergovernmental	62.5	62.9	62.9
Other Sources	55.4	61.8	62.4
<b>Total Revenue</b>	<b>926.4</b>	<b>956.4</b>	<b>977.8</b>
<b><u>Expenditures</u></b>			
City Operations	476.9	485.3	500.8
City Debt Service	50.7	57.7	60.8
Schools Debt Service	45.5	47.8	50.0
Cash Capital	29.5	32.8	36.3
Transit Services	50.7	50.4	52.7
Schools	273.0	282.4	291.3
<b>Total Expenditures</b>	<b>926.4</b>	<b>956.4</b>	<b>991.9</b>
<b>Shortfall/Surplus</b>	<b>-</b>	<b>-</b>	<b>(14.1)</b>



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The following table displays the expenditure growth scenario from the previous page by department when adjusting for one-time changes.

Department	FY 2025 Approved	FY 2026 Approved	FY 2027 Estimate	\$ Chg	% Chg
18TH GENERAL DISTRICT COURT	169,180	169,167	175,257	6,090	3.6%
ACPS - Schools	273,034,300	282,384,561	291,318,005	8,933,444	3.2%
CIRCUIT COURT CLERK	1,990,682	2,129,027	2,205,672	76,645	3.6%
CIRCUIT COURT JUDGES	1,732,010	1,926,652	1,871,691	(54,961)	-2.9%
CITY ATTORNEY	4,455,086	4,510,800	4,673,189	162,389	3.6%
CITY COUNCIL	717,149	912,600	945,454	32,854	3.6%
CITY MANAGER'S OFFICE	6,083,214	6,023,019	6,447,048	424,029	7.0%
COMMONWEALTH ATTORNEY	4,889,190	5,276,956	5,466,926	189,970	3.6%
COMMUNICATIONS	2,430,283	2,631,656	2,726,396	94,740	3.6%
COMMUNITY AND HUMAN SERVICES	60,875,887	61,226,856	63,795,073	2,568,217	4.2%
COMMUNITY POLICING REVIEW BOAR	653,618	620,884	643,236	22,352	3.6%
COURT SERVICES	2,170,398	476,496	493,650	17,154	3.6%
CRIMINAL JUSTICE SERVICES	6,853,725	8,206,183	8,501,606	295,423	3.6%
CTY CLERK AND CLRK OF COUNCIL	599,497	607,113	628,969	21,856	3.6%
ECONOMIC DEVELOPMENT	9,097,318	9,063,993	8,613,297	(450,696)	-5.0%
EMERGENCY & CUSTOMER COMMUNICA	10,132,222	10,076,418	10,439,169	362,751	3.6%
FINANCE	14,432,324	15,065,732	15,608,098	542,366	3.6%
FIRE	67,136,836	68,924,415	70,490,906	1,566,491	2.3%
GENERAL SERVICES	15,103,873	14,785,337	15,317,609	532,272	3.6%
HEALTH	9,637,009	9,901,365	10,257,814	356,449	3.6%
HISTORIC ALEXANDRIA	4,411,196	4,859,826	4,879,380	19,554	0.4%
HOUSING	12,251,938	11,983,002	12,414,390	431,388	3.6%
HUMAN RESOURCES	5,811,240	6,300,566	6,517,026	216,460	3.4%

Table continues on the next page.



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## TWO-YEAR PRESENTATION OF GENERAL FUND OPERATING REVENUE/EXPENDITURES

Table continued from the previous page.

Department	FY 2025 Approved	FY 2026 Approved	FY 2027 Estimate	\$ Chg	% Chg
HUMAN RIGHTS	1,184,413	1,219,498	1,263,400	43,902	3.6%
INFORMATION TECHN SERVICES	16,732,078	19,492,085	20,193,800	701,715	3.6%
INTERNAL AUDIT	467,900	478,499	495,725	17,226	3.6%
JUVE DOM RELATIONS DIST COURT	97,023	95,600	99,042	3,442	3.6%
LIBRARY	9,158,121	9,312,619	9,647,873	335,254	3.6%
NONDEPARTMENTAL	12,960,018	11,435,613	10,947,462	(488,151)	-4.3%
OMB	1,734,373	1,874,667	1,942,155	67,488	3.6%
OTHER EDUCATIONAL ACTIVITIES	15,570	15,449	16,005	556	3.6%
OTHER HEALTH SERVICES	1,327,082	1,036,507	1,374,857	338,350	32.6%
PERFORMANCE ANALYTICS	901,799	1,140,122	1,139,726	(396)	0.0%
PLANNING AND ZONING	7,775,983	8,594,265	8,903,659	309,394	3.6%
POLICE	71,361,652	72,728,912	75,347,153	2,618,241	3.6%
PROJECT IMPLEMENTATION	-	-	-	-	-
RECR AND CULTURAL SERVICES	29,386,436	31,150,985	32,272,420	1,121,435	3.6%
REGISTRAR	2,126,899	1,994,988	2,066,808	71,820	3.6%
SHERIFF	35,074,045	35,144,566	36,409,770	1,265,204	3.6%
TRANS AND ENVIRONMENTAL SRV	44,985,857	43,947,881	45,530,005	1,582,124	3.6%
TRANSIT SERVICES	50,691,206	50,431,975	52,655,259	2,223,284	4.4%
CASH CAPITAL	29,476,152	32,754,924	36,343,900	3,588,976	11.0%
CITY DEBT SERVICE	50,743,148	57,703,661	60,779,386	3,075,725	5.3%
SCHOOLS DEBT SERVICE	45,527,862	47,834,265	50,038,867	2,204,602	4.6%
<b>TOTAL EXPENDITURES</b>	<b>926,395,792</b>	<b>956,449,705</b>	<b>991,897,133</b>	<b>35,447,428</b>	<b>3.7%</b>

# Multi-Year Budget Planning



## FIVE-YEAR FINANCIAL PLANNING MODEL

The following table extends the two-year estimate from the preceding pages by an additional three years using the same revenue and expenditure growth rate scenarios and the cash capital and debt service amounts planned for the next five years in the FY 2026-2035 CIP. In this scenario, the budget shortfall grows to \$84 million by FY 2030. It should be noted that the City would balance revenues and expenditures in each fiscal year through expenditure reductions, tax or fee rate increases, or a combination of the two.

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>Revenue</b>	<b>Approved</b>	<b>Approved</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Real Estate Tax	545.4	558.0	571.9	586.2	600.9	615.9
Personal Property	75.6	81.0	83.1	85.1	87.3	89.5
Other Local Taxes	161.7	164.7	168.8	173.0	177.3	181.8
Fees, Fines, & Charges	25.8	28.0	28.7	29.4	30.1	30.9
Intergovernmental	62.5	62.9	62.9	62.9	62.9	62.9
Other Sources	55.4	61.8	62.4	62.9	63.5	64.0
<b>Total Revenue</b>	<b>926.4</b>	<b>956.4</b>	<b>977.8</b>	<b>999.6</b>	<b>1,022.0</b>	<b>1,045.0</b>
<b><u>Expenditures</u></b>						
City Operations	476.9	485.3	500.8	518.8	537.5	556.8
City Debt Service	50.7	57.7	60.8	71.6	83.7	88.7
Schools Debt Service	45.5	47.8	50.0	52.5	54.9	59.8
Cash Capital	29.5	32.8	36.3	37.0	41.6	39.9
Transit Services	50.7	50.4	52.7	54.6	56.5	58.5
Schools	273.0	282.4	291.3	301.8	312.7	323.9
<b>Total Expenditures</b>	<b>926.4</b>	<b>956.4</b>	<b>991.9</b>	<b>1,036.2</b>	<b>1,086.8</b>	<b>1,127.6</b>
<b>Shortfall/Surplus</b>	<b>-</b>	<b>(0.0)</b>	<b>(14.1)</b>	<b>(36.6)</b>	<b>(64.8)</b>	<b>(82.7)</b>