

ADDITIONAL INFORMATION

ALEXANDRIA CITY COUNCIL

Mayor Allison Silberberg

Vice Mayor Justin M. Wilson

Councilman Willie F. Bailey Sr.

Councilman John T. Chapman

Councilman Timothy B. Lovain

Councilwoman Redella S. "Del" Pepper

Councilman Paul C. Smedberg

CITY MANAGER

Mark B. Jinks

BUDGET DIRECTOR

Morgan E. Routt

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

OFFICE OF MANAGEMENT & BUDGET

City Hall, 301 King St., Suite 3400

Alexandria, VA 22314

703.746.3737

Monday – Friday

8 a.m. to 5 p.m.



7/5/2018



APPROVED FY 2019 BUDGET IN BRIEF



CITY OF
Alexandria
VIRGINIA

WWW.ALEXANDRIAVA.GOV

FY 2019 BUDGET OVERVIEW

Fiscal Year (FY) 2019 is the eleventh straight year of budgetary challenges for the City of Alexandria as the regional economy remains slow growing while school enrollment, capital investment needs, competitive public safety compensation and quality of life needs combine to create significant budget pressure.

In FY 2019, the City will invest \$748.4 million into more than 150 programs, each designed to advance the City's Strategic Plan, in the Plan's ten thematic areas: (1) Distinctive and Vibrant Neighborhoods, (2) Inclusive City, (3) Well-Managed Government, (4) Safe and Resilient Community, (5) Flourishing Arts, Culture and Recreation, (6) Strong Economy, (7) Thriving Children and Youth, (8) Environmental Sustainability, (9) Healthy Residents, and (10) Multimodal Transportation. Overall, the General Fund budget increases 2.8% compared to FY 2018.

HIGHLIGHTS OF THE \$748.4 MILLION BUDGET INCLUDE:

- Maintains the current real estate tax rate at \$1.13 per \$100 of assessed value.
- City operations increased 2.1% and reflects \$4.3 million in departmental budget efficiencies and savings.
- Maintains the 2.2 cents real estate tax reservation for transportation and 0.6 cents designation for affordable housing.
- Increases the restaurant and meals tax from 4% to 5% to invest \$4.75 million into the Affordable Housing Fund and creates an affordable housing project category in the CIP.
- Funding for 100% of Alexandria City Public Schools Superintendent's proposed operating budget and the ACPS School Board adopted CIP. Invests an additional \$9.8 million for the Alexandria City Public School operating transfer to address increasing enrollment (excluding additional \$0.4 million for increased debt service and \$101.7 million more in meeting school facility needs. This brings the total funding in the 10-year CIP for schools to \$474.7 million).
- Funds and begins to implement the recommendations of the Ad-Hoc Joint City/School Facilities Investment Task Force.
- Provides a merit increase for all eligible City employees with satisfactory performance.
- Increases City's Living Wage from \$14.43 to \$15.00 per hour.
- Provides new six-week City-paid Parental Leave program for eligible employees.
- Increases the Sanitary Sewer System Capital Investment and Maintenance Fee from \$1.82 to \$2.28 per 1,000 gallons. The solid waste fee remains at \$373.
- Implements Vision Zero traffic safety program.
- King Street Retail Corridor Initiative is funded.

FY 2019 BUDGET OVERVIEW, ETC.

- Stormwater Utility fee was approved in 2017 for all residential and commercial property owners. Starting in calendar year 2018, this will raise funds over the long-term to meet unfunded State stormwater mandates.
- Provides funding for the next phase of implementation of the Waterfront Park, the WMATA Capital Improvement Program, street reconstruction and resurfacing, athletic field improvements at City park facilities, the Municipal Fiber Broadband Project, and includes funding for stormwater and sanitary sewer improvement projects to meet State and Federal mandates.
- The budget includes \$3.6 million in a non-departmental compensation contingent to enhance public safety recruitment and retention capabilities. The City Manager's recommendation to City Council is due in September 2018 with compensation due to increase in October 2018.
- Increases to Fire Prevention Permit fees, residential parking permit rates, and the transient occupancy room tax rate were adopted to provide additional funding for the public safety recruitment and retention contingency.
- Funds employment and training services for older adult residents.
- Provides \$42,500 in funding for the purchase of Renewable Energy Credits to offset greenhouse gas emissions associated with the City's electric consumption.

FY 2019 BUDGET CALENDAR

City Council and City Staff held a series of meetings during the budget development process to discuss and deliberate on the FY 2019 budget. These work sessions included a public hearing on the budget on Monday, March 12 and a public hearing on the tax rate on Saturday, April 14. Eleven budget-related work sessions were held in March, April and May 2018. These meetings were open to members of the public. City staff issued 70 budget memos to City Council.

Visit alexandriava.gov/Budget to review meeting materials, video recordings, and responses to budget questions.

The Approved FY 2019–2028 Capital Improvement Program (CIP) totals \$2.2 billion and includes funding for Alexandria City Public Schools, investments in the maintenance of City facilities, contributions to WMATA’s capital program, Waterfront Plan implementation, continued commitment to street resurfacing, and improvements to sanitary and storm sewers to meet state and federal mandates.

HIGHLIGHTS OF THE 10-YEAR PLAN

- Total 10-year CIP is increasing by \$77.4 million or 3.7% from the Approved FY 2018 – FY 2027 CIP.
- 100% funding included for Alexandria City Public Schools totaling \$474.7 million.
- Sanitary Sewer funding totals \$453.8 million, including \$385.0 million to conduct state and federally mandated work to mitigate sanitary sewer overflows at the City’s four combined sewer outflows.
- \$128.2 million to fund the City’s Capital Facility Maintenance Programs and other major renovations.
- Stormwater funding totals \$65.4 million to begin to address long-term capital infrastructure needs related to federally mandated improvements.
- Funding to continue the City’s Street Reconstruction and Repaving program totals \$51.3 million over the 10-year plan.
- WMATA capital funding totaling \$254.5 million.
- \$50.4 million investment in Affordable Housing and the addition of affordable housing as a dedicated project in the CIP.

HIGHLIGHTS OF THE FY 2019 CAPITAL BUDGET

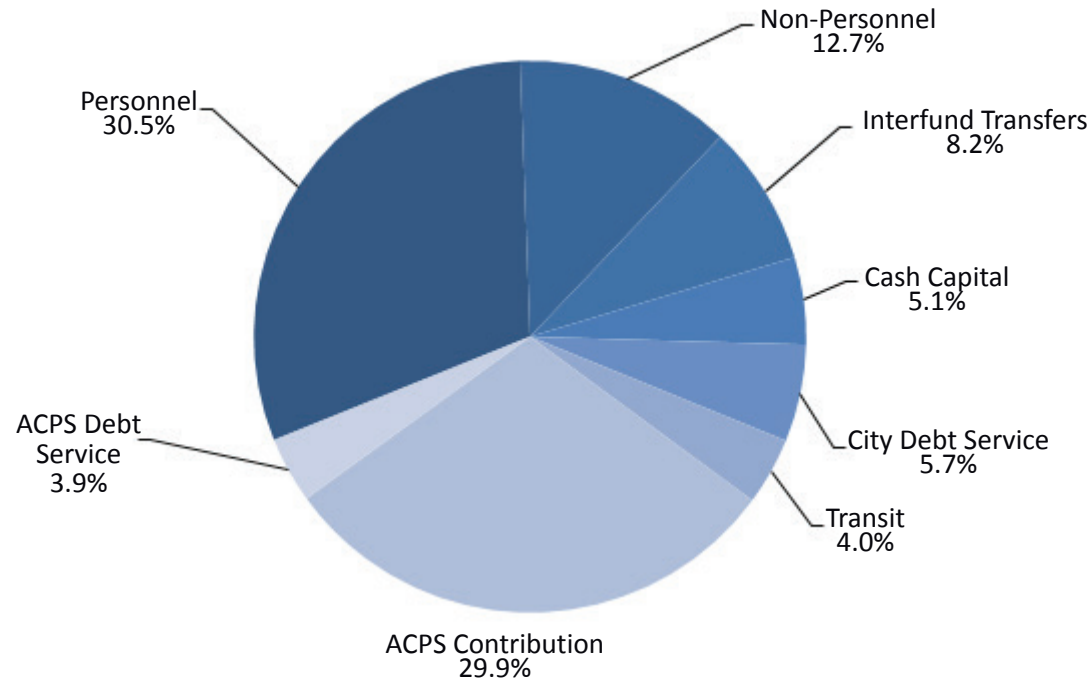
The FY 2019 Capital Budget (only year formally adopted and appropriated by City Council) totals \$199.6 million and highlights of the projects are as follows:

- Full funding of the Alexandria City Public Schools request, including both direct funding and reserved bond and cash capital capacity for land acquisition and High School Capacity.
- \$29.7 million for the City’s contribution to WMATA’s Capital Improvement Program.
- \$25.0 million to begin work on the City’s four combined sewer outfalls (CSOs) to mitigate sanitary sewer overflows.
- \$6.4 million for identified maintenance and repair projects of city buildings, as part of the City’s Capital Facilities Maintenance Programs (CFMPs).
- \$5.3 million for street reconstruction and resurfacing. Resurfacing of lane miles will increase from an estimated 22 miles resurfaced in FY 2017, to over 55 miles resurfaced in FY 2019.
- \$4.0 million for DASH bus fleet replacements.
- \$4.75 million for investments in Affordable Housing through a one percent increase in the restaurant and meals tax.

DEBT AND CAPITAL FUNDING POLICIES

- The Approved CIP is in compliance with the City’s adopted debt ratios throughout the ten-year plan. See the Approved CIP document for additional details.
- The CIP has 50% cash sources versus 50% bonds over the life of the 10-year CIP
- The General Fund Cash Capital Transfer is, as a percentage of total General Fund expenditures in FY 2019, 4.9% and averages 5.0% over the ten-year plan.

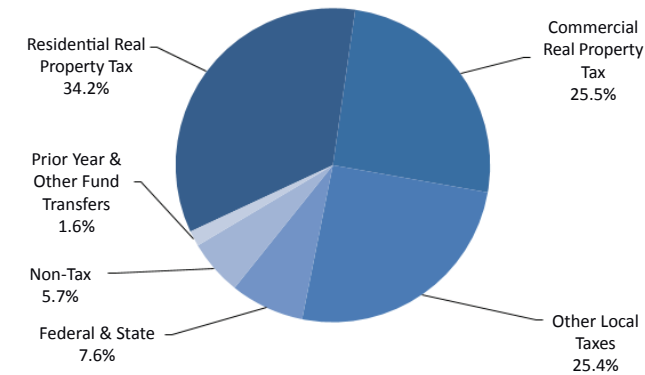
EXPENDITURE OVERVIEW



FY 2019 APPROVED OPERATING EXPENDITURES

General Fund Expenditures	FY 2017 Actual	FY 2018 Approved	FY 2019 Approved	\$ Chg	% Chg
City Operations	\$351,056,694	\$377,338,025	\$385,181,112	\$7,843,087	2.1%
City Related Debt Service	\$39,585,406	\$43,159,480	\$42,626,096	(\$533,384)	-1.2%
City Subtotal	\$390,642,100	\$420,497,505	\$427,807,208	\$7,309,703	1.7%
Schools					
School Operations	\$204,020,497	\$214,061,472	\$223,829,302	\$9,767,830	4.6%
School Related Debt Service	\$25,460,916	\$28,530,550	\$28,924,085	\$393,535	1.4%
Schools Subtotal	\$229,481,413	\$242,592,022	\$252,753,387	\$10,161,365	4.2%
Transit Services	\$20,502,204	\$27,181,806	\$29,649,690	\$2,467,884	9.1%
Cash Capital	\$28,259,078	\$37,866,696	\$38,216,651	\$349,955	0.9%
Total Expenditures	\$668,884,795	\$728,138,029	\$748,426,936	\$20,288,907	2.8%

REVENUE OVERVIEW



FY 2019 APPROVED REVENUE SOURCES*

	FY 2018 Approved	FY 2018 Projected	FY 2019 Approved	% Change from FY2018 Approved
Real Property Tax	436.0	438.1	447.0	2.5%
Other Taxes	181.8	185.0	189.9	4.5%
Non-Tax Revenue	39.7	40.8	42.7	7.6%
Federal & State Revenue	56.4	56.4	56.6	0.9%
Prior year surplus & other fund transfers	14.2	10.6	11.9	-16.2%
Total	728.1	731.0	748.4	2.8%

*Numbers in \$ millions

TAX FACTS & ASSESSED VALUE TAX CHART (CALENDAR YEAR)

Type	Unit	CY 2017 Actual Rate	CY 2018 Approved Rate
Real Estate	\$100/AV	\$1.13	\$1.13
Personal Property	\$100/AV	\$5.00	\$5.00
Refuse Collection Disposal	Household	\$373.00	\$373.00
Average Home Assessed Value..... \$547,626			
Average Residential Tax Bill CY 2017 (\$1.13 Current Rate)..... \$5,998			
Average Residential Tax Bill CY 2018 (\$1.13 Approved Rate) \$6,188			

2018 CY Median Residential Assessments City-Wide

Assessed Value	Units	Total Value	Median
Less than \$100,000	41	\$3,757,234	\$94,039
\$100,000 - \$249,999	9,349	1,811,651,979	199,852
\$250,000 - \$499,999	11,134	4,107,451,366	359,727
\$500,000 - \$749,999	11,680	7,150,955,207	604,044
\$750,000 - \$999,999	6,010	5,156,915,312	852,660
\$1,000,000 - \$1,999,999	2,958	3,717,679,415	1,173,906
\$2,000,000+	255	764,992,426	2,535,397
Grand Totals:	41,427	\$22,713,402,939	