

## 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 Routt

Information about the budget is available online at [alexandriava.gov/Budget](http://alexandriava.gov/Budget) or by contacting:

### OFFICE OF MANAGEMENT & BUDGET

City Hall, 301 King Street, Suite 3400  
 Alexandria, VA 22314  
 703.746.3737  
 Monday – Friday • 8 a.m. to 5 p.m.

#### Cover photo and credits:

- Retail shops and pedestrians in Carlyle
- Contrabands and Freedmen's Cemetery Memorial – photo by L. Barnes for Visit Alexandria
- Bicyclist in Alexandria – photo by Richard Nowitz
- Alexandria residence
- George Washington Parade




# Proposed FY 2017 OPERATING BUDGET



CITY OF  
*Alexandria*  
 VIRGINIA

WWW.ALEXANDRIAVA.GOV

## FY 2017 BUDGET OVERVIEW

Fiscal Year (FY) 2017 is the ninth straight year of budgetary challenges for the City of Alexandria as the regional economy is still only slowly recovering from the recession and has not yet fully regained past job loss. Combining this with significant cutbacks in the federal spending that fuels our region, Alexandria's economy, like those of our neighbors, is not producing the revenue for the City it once did.

In FY 2017, the City will invest \$671.6 million into more than 150 programs, each designed to advance the Long Term Outcomes in the City's four Focus Areas: Accountable, Effective & Well-Managed Government; 2) Healthy & Thriving Residents; 3) Livable, Green & Prospering City; and 4) Safe, Secure & Just Community. This investment represents a 3.5% increase over the City's level of investment in FY 2016 and focuses on core mission and essential spending.

This year's budget links spending to long-term outcomes with additional emphasis placed on civic engagement. In October and November 2015, the City hosted four public meetings. Community input influenced City Council's budget guidance, the City Manager's Budget Priorities, and the proposed budget. In part due to this engagement, the proposed budget incorporated five priorities: 1) Housing Affordability; 2) Parking Management & Traffic Management; 3) Generating new General Fund Revenues; 4) Investment in Information Technology; and 5) Pre-Kindergarten and/or Childcare Programs.

#### HIGHLIGHTS OF THE \$671.6 MILLION BUDGET INCLUDE:

- Proposes raising the current real estate tax rate \$0.01 to \$1.053 per \$100 of assessed value. An option to raise the rate another cent was also presented.
- Maintains 2.2 cents real estate tax reservation for transportation; 0.5 cents designation for stormwater; and 0.6 cents designation for affordable housing.
- Increases the current sanitary sewer fee from \$1.25 to \$1.40 per 1000 gallons and the current solid waste fee from \$337 to \$353.
- \$109.5 million in capital projects including Warwick Pool, the self-funded Potomac Yard Metrorail Station, Chinquapin Aquatics Center design, Health Department facility renovations and additional parking and traffic management projects.
- Maintains funding for seniors and the social safety net, including additional \$0.5m of additional affordable housing while increasing the investment towards the Children and Youth Master Plan.
- Invests 44.4% of new revenue for Alexandria City Public School purposes to address increasing enrollment by increasing funding \$9.95 million (including a \$3.0 million in a School Enrollment Capacity Contingent and \$2.2 million for debt service).
- Increases funding for traffic and parking enforcement initiatives in Police and Transportation & Environmental Services departments.
- No reductions of sworn public safety positions. Full staffing of Fire Station 210.
- Realigns sworn Fire Department officer rank compensation with the market to mitigate turnover issues and increases pay 2.5% for all firefighters.
- Provides a merit increase for all eligible City employees with satisfactory performance.

## FY 2017 BUDGET CALENDAR

City Council and City Staff held a series of meetings during the budget development process to discuss and deliberate on the FY 2017 budget. These meetings included a public hearing on the budget on Monday, March 14th and a public hearing on the tax rate on Saturday, April 16th. The following budget-related sessions, will be held in March, April and May 2016. These meetings were open to members of the public. Visit [alexandriava.gov/Budget](http://alexandriava.gov/Budget) for the most up-to-date list of meeting dates, times and locations.

Tues. Feb. 23	6:00 p.m.	<b>Proposed Budget Presentation</b> (City Council Legislative Meeting) Location: City Hall, Council Chamber
Thurs. Feb. 25	7:00 p.m.	<b>Public Budget Presentation</b> Location: Beatley Library
Tues. Mar. 1	7:00 p.m.	<b>Worksession #1: Compensation, Revenues and Five Year Financial Plan</b> Location: City Hall, City Council Workroom
Wed. Mar. 9	7:00 p.m.	<b>Worksession #2: Alexandria City Public Schools</b> Location: ACPS Headquarters, 1st Floor Board Room (1340 Braddock Place)
Mon. Mar. 14	4:00 p.m.	<b>Budget Public Hearing</b> Location: City Hall, Council Chamber
Tues. Mar. 15	7:00 p.m.	<b>Worksession #3: Capital Improvement Program</b> Location: City Hall, Sister Cities Conf. Room 1101
	9:00 p.m.	<b>Establish Tax Rate Ordinance/Set Max Rate</b> Location: City Hall, Council Chamber
Mon. Mar. 28	7:00 p.m.	<b>Worksession CANCELLED</b>
Thurs. Mar. 31	7:00 p.m.	<b>Worksession CANCELLED</b>
Tues. Apr. 5	7:00 p.m.	<b>Worksession #4: Topic TBD</b> Location: City Hall, Sister Cities Conf. Room 1101
Thurs. Apr. 7	6:30 p.m.	<b>Worksession #5: Topic TBD</b> Location: City Hall, Sister Cities Conf. Room 1101
Thurs. Apr. 14	7:00 p.m.	<b>Worksession #6: Topic TBD</b> Location: City Hall, Sister Cities Conf. Room 1101
Sat. Apr. 16	9:30 a.m.	<b>Tax Rate Public Hearing</b> Location: City Hall, Council Chamber
Tues. Apr. 19	7:00 p.m.	<b>Worksession #7: Budget and Fiscal Affairs Advisory Committee &amp; Topic TBD</b> Location: City Hall, Sister Cities Conf. Room 1101
Tues. Apr. 26	6:00 p.m.	<b>Preliminary Add/Delete List Discussion</b> Location: City Hall, Council Chamber
Mon. May 2	7:00 p.m.	<b>Final Add/Delete List Discussion</b> Location: City Hall, Sister Cities Conf. Room 1101
Thurs. May 5	7:00 p.m.	<b>Budget Adoption</b> Location: City Hall, Council Chamber

## CAPITAL IMPROVEMENT PLAN

The Proposed FY 2017 – 2026 Capital Improvement Program (CIP) totals \$1.58 billion and includes funding for Alexandria City Public Schools, the Potomac Yard Metrorail Station (funded through sources outside of the City's General Fund), Waterfront Plan implementation, and continued commitment to street resurfacing and sanitary and storm sewers to meet state and federal mandates.

### HIGHLIGHTS OF THE 10 YEAR PLAN

- Continuation of the self-funded Potomac Yard Metrorail Station project, with \$270.0 budgeted in FY 2017 – 2017 (total estimated project costs including prior year funding are \$285.9).
- Funding for Alexandria City Public Schools of \$265.7 million over the life of the 10 year plan.
- Sanitary Sewer and Stormwater funding equal to \$142.9 million to address long-term capital infrastructure needs related to federally mandated improvements, totaling up to \$400 million over the next 2 to 3 decades.
- WMATA capital funding totaling \$110.9 million, not including \$40.0 million from NVTC proceeds.

### HIGHLIGHTS OF THE FY 2017 CAPITAL BUDGET

The FY 2017 Capital Budget (only year formally adopted and appropriated by City Council) totals \$379.5 million and highlights of the projects are as follows:

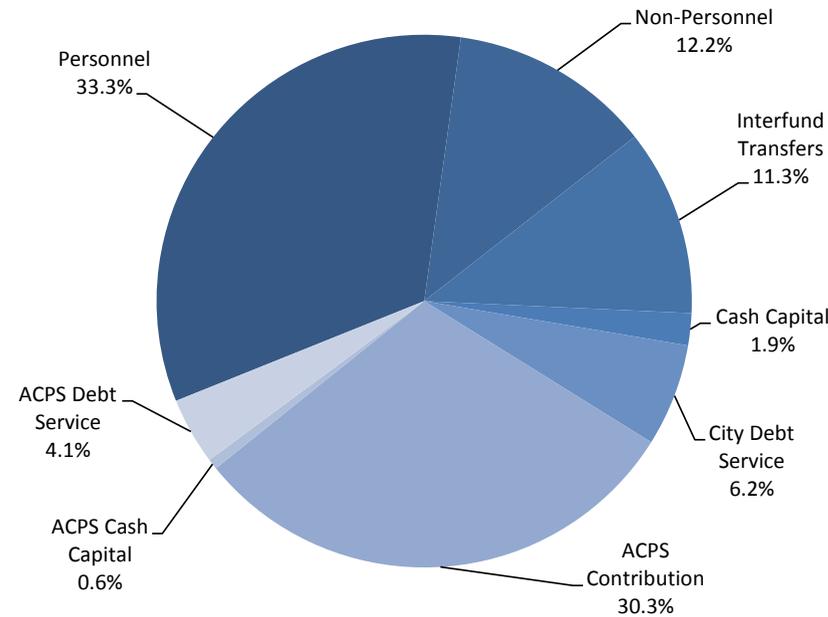
- \$270.0 million for funding of the Potomac Yard Metrorail Station, from NVTA 70% and VTIB Loan and GO Bonds paid for by Potomac Yard Special Tax District revenues.
- \$35.9 million in new City funding to Alexandria City Public Schools, \$3.9 million above the planned level in last year's CIP.
- \$4.2 million for sanitary sewers and stormwater management.
- \$1.0 million to continue implementation of the Waterfront Small Area Plan, including funds for the interim Fitzgerald Square.
- \$4.5 million to begin design and engineering for expansion of the Chinquapin Aquatics Center.
- \$9.4 million to support the WMATA Capital Improvement Program.
- \$5.3 million for Street reconstruction and resurfacing. Resurfacing of lane miles will increase from an estimated 22 miles in FY 2014, 55 miles in FY 2017.
- \$7.7 million for identified maintenance and repair projects, as part of the City's Capital Facilities Maintenance Programs (CFMPs).
- \$3.9 million for DASH Bus Fleet Replacements.

### DEBT AND CAPITAL FUNDING POLICIES

- The CIP has 38% cash sources versus 62% bonds over the life of the 10 year CIP.
- The General Fund Cash Capital Transfer is slightly above at the City Council approved target of 2.5% of General Fund expenditures annually. The percentage as relates to total General Fund expenditures in FY 2017 is 2.59% and decreases to 2.5% in FY 2018 through FY 2026.

## FY 2017 PROPOSED GENERAL FUND EXPENDITURES

### EXPENDITURE OVERVIEW



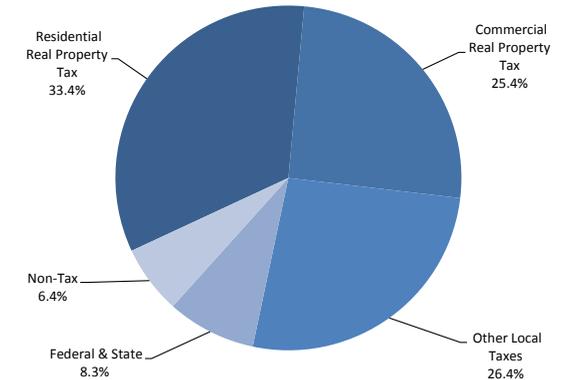
### FY 2017 PROPOSED OPERATING EXPENDITURES

General Fund Expenditures	FY 2015 Actual*	FY 2016 Approved	FY 2017 Proposed	\$ Change	% Change
City Operations	323,225,026	348,410,254	357,529,336	9,119,082	2.6%
City Related Debt Service	42,105,427	38,137,313	41,764,266	3,626,953	9.5%
Transit Services	17,916,051	22,416,923	20,472,378	(1,944,545)	-8.7%
Schools					
School Operations	191,811,472	198,811,472	203,561,472	4,750,000	2.4%
School Related Debt Service	22,336,079	25,155,389	27,309,165	2,153,776	8.6%
School Capacity Contingent	-	-	3,000,000	3,000,000	-
Schools Subtotal	214,147,551	223,966,861	233,870,637	9,903,776	4.4%
Pay-as-you-go Capital	26,029,968	16,225,541	17,277,504	1,051,963	6.5%
City Contingents					
Parking & Traffic Initiatives	-	-	500,000	500,000	-
General Contingency	-	-	174,806	174,806	-
<b>Total Expenditures</b>	<b>623,424,023</b>	<b>649,156,892</b>	<b>671,588,927</b>	<b>22,432,035</b>	<b>3.5%</b>

\*Excludes \$33.9 million refinancing

## FY 2017 PROPOSED GENERAL FUND REVENUES

### REVENUE OVERVIEW



### FY 2017 PROPOSED REVENUE PIE CHART

	FY 2016 Approved	FY 2016 Projected	FY 2017 Proposed	% Change from FY2016 Approved
Real Property Tax	\$382.1 M	\$382.6 M	\$395.0 M	3.2%
Other Taxes	\$171.0 M	173.4 M	177.6 M	2.4%
Non-Tax Revenue	\$35.4 M	\$35.5 M	\$38.1 M	7.2%
Fed & State Revenue	\$56.1 M	\$55.9 M	\$55.9 M	0.1%
Prior year surplus & other fund transfers	\$4.6 M	\$4.6 M	\$5.0 M	9.9%
<b>Total</b>	<b>\$649.2 M</b>	<b>\$653.9 M</b>	<b>\$671.6 M</b>	<b>2.7%</b>

## TAX FACTS & ASSESSED VALUE TAX CHART

Type	Unit	CY 2015 Actual Rate	CY 2016 Proposed Rate
Real Estate*	\$100/AV	\$1.043	\$1.053
Personal Property	\$100/AV	\$5.00	\$5.00
Refuse Collection Disposal	Household	\$337	\$353

\*Includes \$0.005 dedicated for sanitary sewer

Average Home Assessed Value.....\$521,227  
 Average Residential Tax Bill CY 2015 (\$1.043 Current Rate).....\$5,317  
 Average Residential Tax Bill CY 2016 (\$1.053 Proposed Rate).....\$5,489

### Median Assessed Value of Single-Family and Condominiums

Assessed Value	Units	Total Value	Median
Less than \$100,000	64	\$5,970,451	\$95,538
\$100,000 - \$249,999	9,496	\$1,806,177,359	\$193,916
\$250,000 - \$499,999	12,526	\$4,669,565,789	\$368,386
\$500,000 - \$749,999	10,827	\$6,611,626,994	\$601,527
\$750,000 - \$999,999	5,440	\$4,656,452,139	\$848,726
\$1,000,000 - \$1,999,999	2,503	\$3,152,451,159	\$1,181,247
\$2,000,000 and Over	237	\$679,834,554	\$2,485,411

Source: Finance Department