



CITY OF
Alexandria
VIRGINIA

**FISCAL YEAR 2024
PROPOSED BUDGET**

February 28, 2023



FY 2024 Budget Priorities

Fulfill Our Mission

Working together to foster a thriving Alexandria

Pursue Our Vision

A culture that supports each of us and inspires excellence

Live Our Values

- Respect: We are open-minded and treat all people with dignity
- Teamwork: We do great things together
- Integrity : We are thoughtful stewards of the public's trust
- Continuous Improvement: We challenge ourselves to learn and grow



FY 2024 Budget Priorities

Community Engagement

COVID Recovery

Economic Development

Employee Compensation

Housing

Youth and Families

All Priorities Viewed through the lenses of:

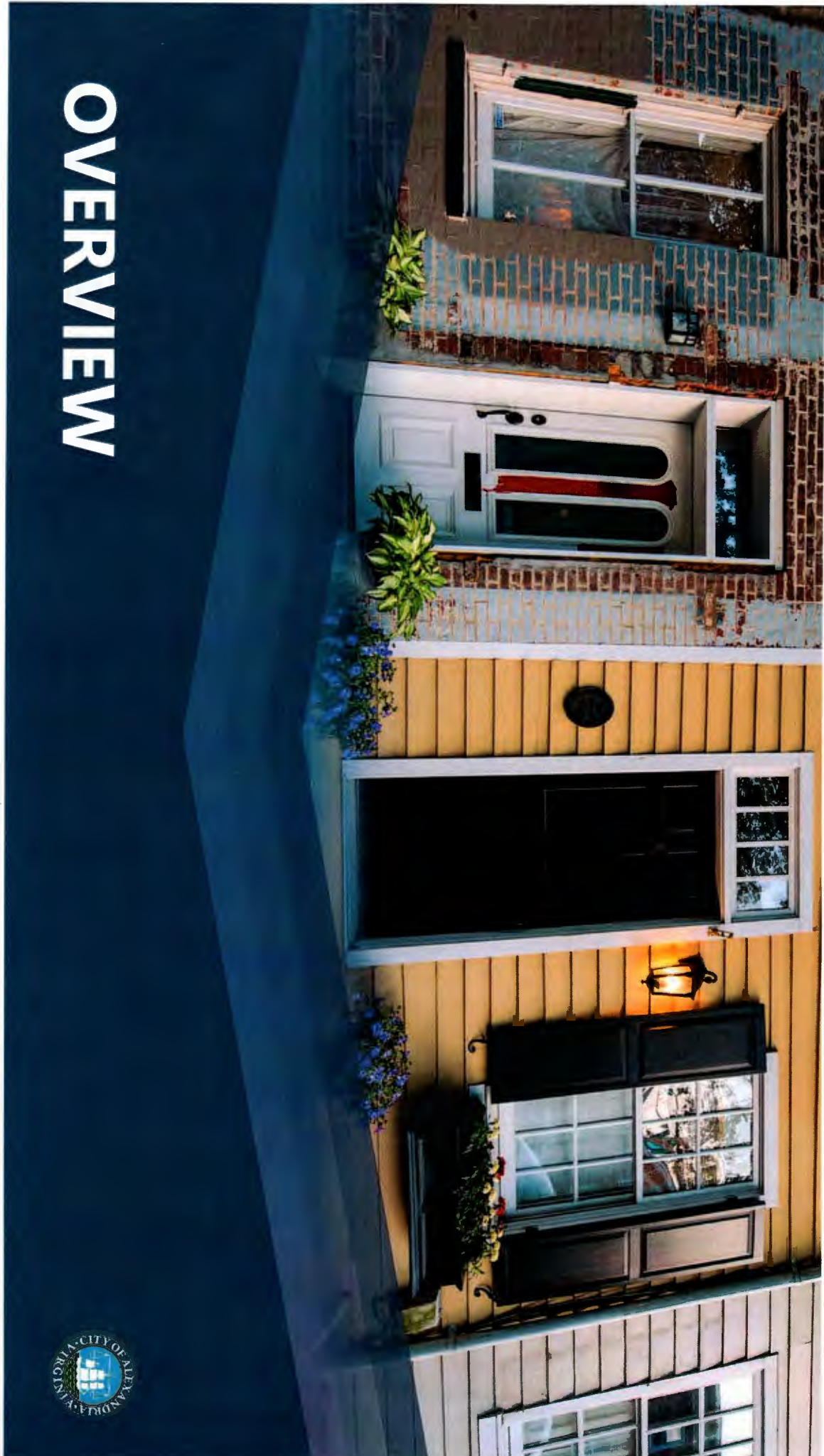
- Race and Social Equity
- Environmental Justice

Additional Themes:

- Infrastructure
- Public safety
- Organizational efficiency



OVERVIEW

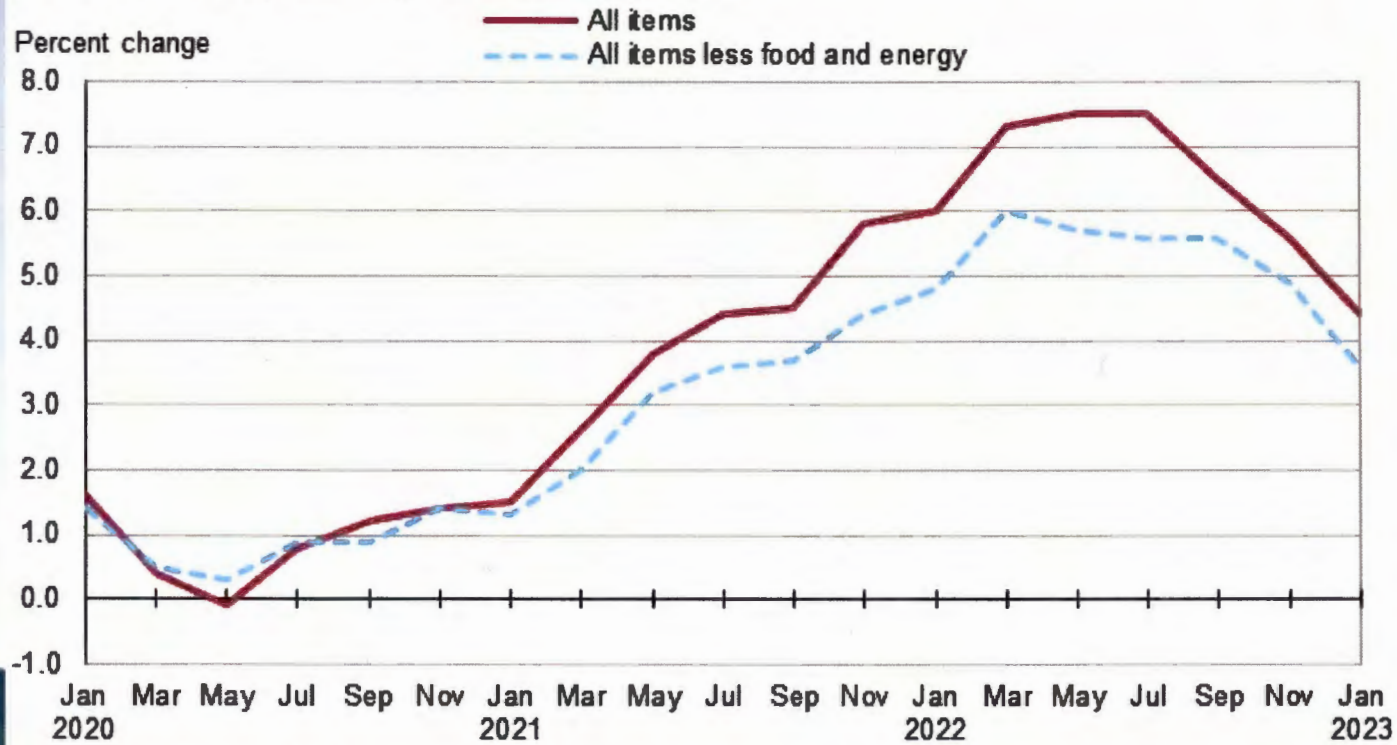


Overview

- Inflation Impacts
- Budget Development Process
- FY2024 Proposed Budget
- Budget Calendar

INFLATION UPDATE

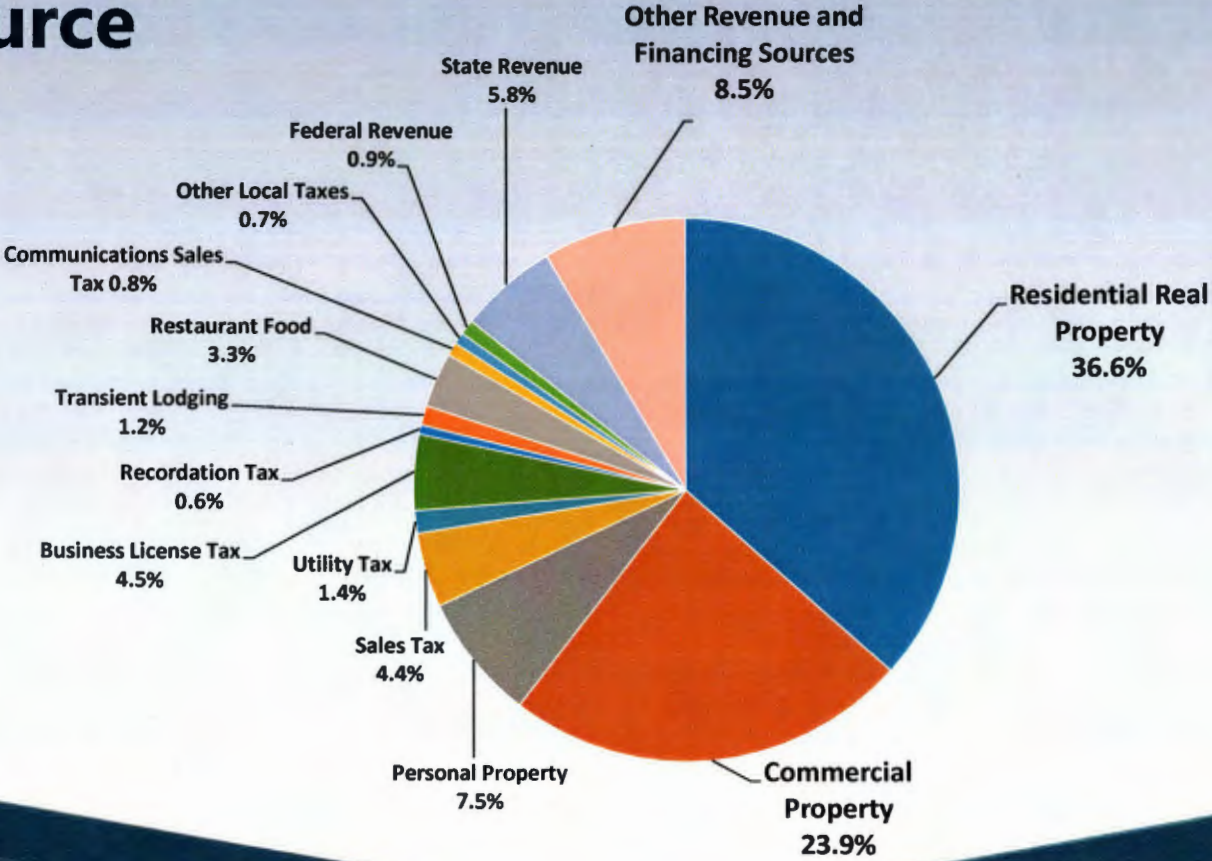
Chart 1. Over-the-year percent change in CPI-U, Washington-Arlington-Alexandria, DC-VA-MD-WV, January 2020–January 2023



Source: U.S. Bureau of Labor Statistics.

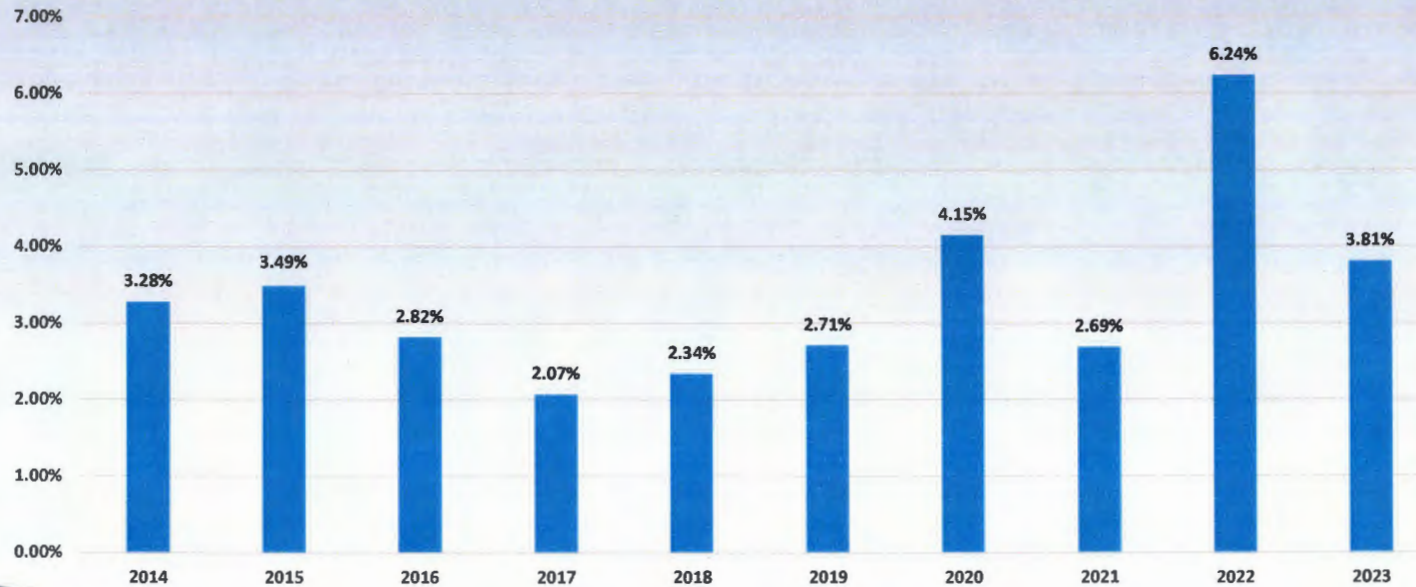


FY 2024 \$881.1 M General Fund Revenue by Source



PROPERTY TAX BASE

Assessed Value of Taxable Real Property Tax Base
Percent Change (CY 2014-CY 2023)



FY 2024 Impact on the Average Residential Household

Fees and Taxes	FY 2022	FY 2023	FY 2024
Real Estate Tax	\$6,836	\$7,281	\$7,520
Personal Property Tax	\$554	\$604	\$624
Trash Removal Fee	\$484	\$500	\$500
Decal Fee	\$0	\$0	\$0
Utility Tax on Natural Gas	\$24	\$23	\$23
Utility Tax on Electricity	\$33	\$32	\$32
Utility Tax on Water	\$24	\$24	\$24
Communication Sales and Use Tax	\$84	\$81	\$81
Sanitary Sewer System Capital Investment & Maintenance Fee	\$123	\$123	\$123
Storm Water Utility Fee	\$280	\$294	\$309
Total	\$8,442	\$8,962	\$9,236



General Fund Expenditure Changes

General Fund Expenditures	FY23 Approved	FY24 Proposed	\$ Change	% Change
City Operations	\$ 436.7	\$ 456.5	\$ 19.8	4.5%
Transit	44.5	48.9	4.4	10.0%
Cash Capital	36.2	36.6	0.4	1.2%
Schools Transfer	248.7	258.7	9.9	4.0%
Schools Debt Service	31.9	32.2	0.3	0.9%
City Debt Service	41.2	48.2	7.1	17.2%
Total	\$ 839.2	\$ 881.1	\$ 41.9	5.0%

(\$ in Millions)



Budget Development Process

- **Comprehensive Financial Forecasting**
- **On-going input from the Community, Organizations, Boards and Commissions, Businesses and Residents**
- **Department Submissions (Adds and Reductions)**
- **Comprehensive Department Reviews**
- **Final Proposed Budget**
- **City Council Review Process**
- **Adoption**



FY 2024 Proposed Budget Highlights

- **FY 2024 proposed General Fund operating budget = \$881.1 M**
- **\$41.9 M (5.0%) increase over FY 2023 approved**
- **No change in tax rates**
- **Continues and builds upon priorities established in the FY 2023 budget**
- **Fully funds ACPS operating budget request**



FY 2024 Proposed Budget Highlights Continued

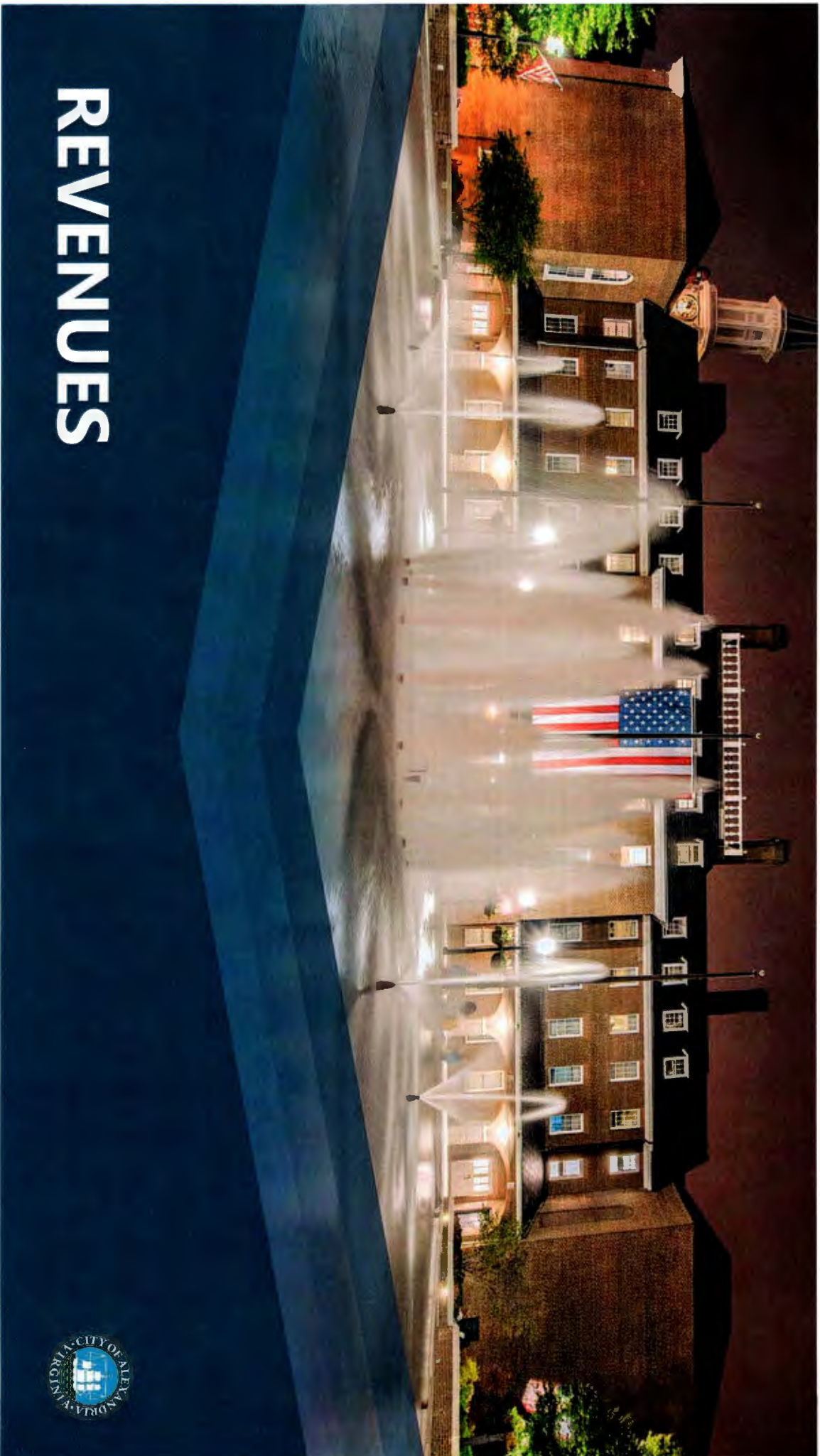
- **\$2.4 B FY 2024-FY 2033 Capital Improvement Program (CIP)**
- **\$327 M less than the previous plan**
- **\$39.5 M increase in ACPS projects**



FY 2024 Proposed Budget Highlights Continued

- **19.0 new non-sworn FTEs**
- **25.0 firefighters**
- **3.0 vacant position eliminations**





REVENUES



FY 2024 Tax Rate Highlights

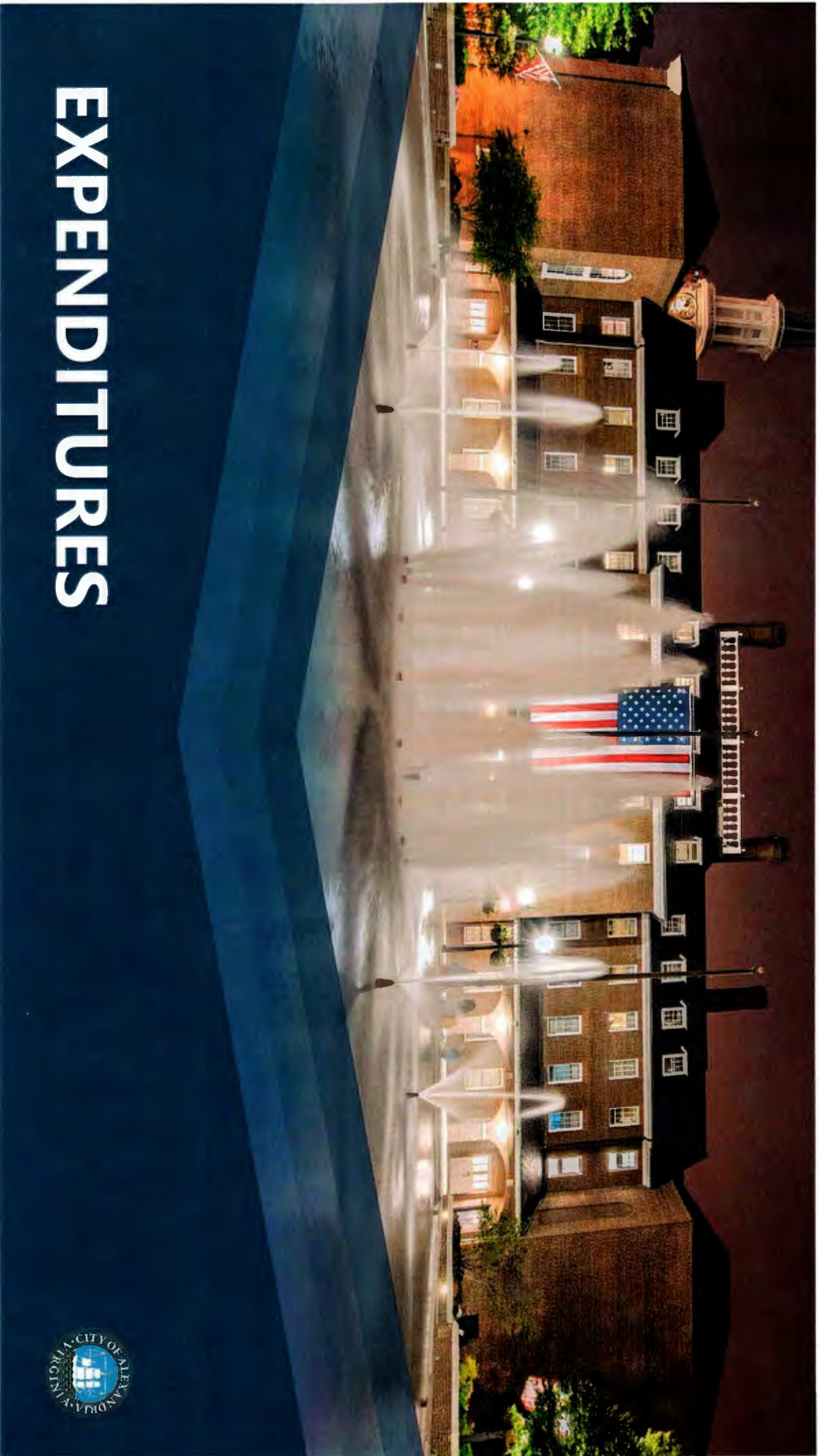
- **No change in real estate tax rate**
 - Proposed Real Estate Tax Rate: \$1.11 per \$100 AV
- **No change in personal property tax rates**
 - \$5.33/\$100 of assessed value (vehicle)
 - \$4.75/\$100 of assessed value (business tangible personal property)
- **No change in other tax rates**
- **Includes options for funding from a one-cent real estate tax rate increase**



Enterprise Funds

- **User fees** = 100% of capital and operating and debt service expenses
- **No change in sanitary sewer rate** = \$2.28 per 1,000 gallons
- **Stormwater** = \$308.70 per year for average single-family house (\$14.70 increase from \$294) continues previously planned 5% growth to fund future project needs
- **No change in residential or commercial refuse rate** = \$500





EXPENDITURES



City Government Operations

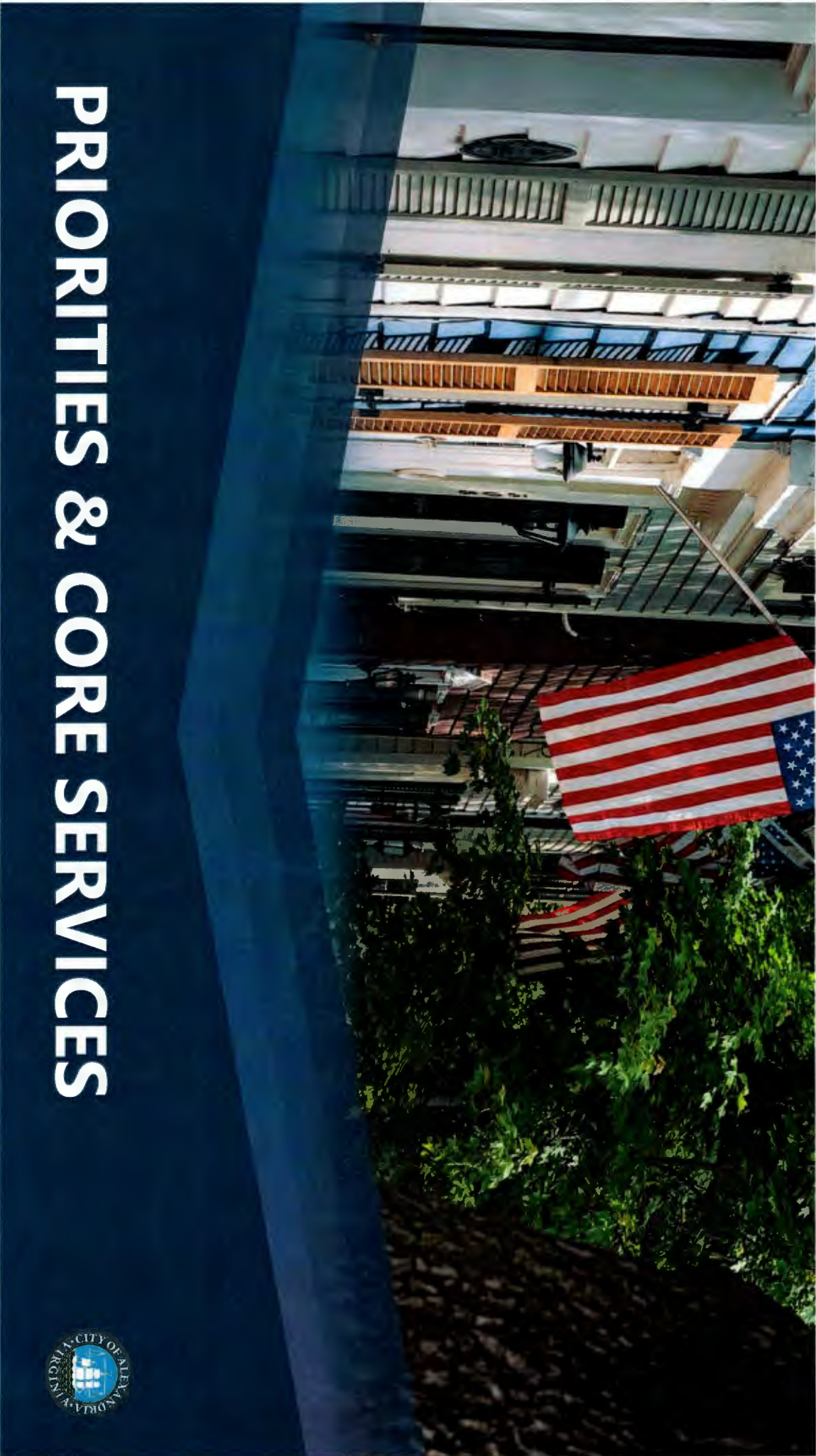
- **\$19.8 M total General Fund increase**
 - \$8.1 M for collective bargaining agreements
 - \$3.3 M for 2.0% general employee and Sheriff's Deputy pay scale adjustments
 - \$3.4 M for base salary and benefit adjustments
 - \$4.8 M in new budget requests
 - -\$ 4.6 M in efficiency savings
 - \$4.8 M in other non-personnel increases



Organizational Efficiency

- **Departments received 1.5% or 2.0% budget reduction targets**
- **\$4.6 M in savings with no significant service impacts**
- **Examples:**
 - **Outsourcing leave of absence reviews**
 - **Benefits consulting**
 - **Outsourcing fleet parts management**
 - **In-house fleet repair**





PRIORITIES & CORE SERVICES



Community Engagement

- **FY 2023**

- City-Wide Community Outreach and Engagement
- RASE Program Manager 2.0 FTEs
- Land Use Services Urban Planner III
- Alexandria Community Remembrance Project
- City 275th Commemoration
- Scottish Christmas Walk



Community Engagement (continued)

- **FY 2023 (continued)**

- Improved Virtual and Hybrid Public Meeting Spaces in City Hall
- Contracted Staff to Support Boards and Commissions Meetings
- Virtual Public Meeting Platform Licenses
- Audio Video Technical Support Staff
- Library Mobile Hotspot & Chromebook Lending



Community Engagement (continued)

- **FY 2024**
 - **Community-wide outreach and engagement implementation**
 - **A/V staffing for continued hybrid public meetings \$220,000**
 - **Library Chromebook and mobile spots continuation \$33,060**
 - **Library CORE materials collection and equity audit tool \$61,633**
 - **Citywide mailings prior to the general election \$50,800**
 - **Council-led town halls \$40,000**
 - **Community cookouts \$10,000**



Compensation Enhancements

- **FY 2023 enhancements carried into FY 2024**
 - Step increases (2.3-5%)
 - Market Rate Adjustments
 - Sworn Fire, Medics and Fire Marshals = 7.0%
 - Sworn Police and Sheriff's Deputies = 6.0%
 - Non-public Safety = 4.5%
 - Expanding General Scale Pay Ranges
 - Added 3 steps
 - 7.0% increase in salary potential
 - 328 employees at end of pay range would be eligible for merit increases
 - Fire ALS incentive pay
 - Language stipend



Compensation Enhancements

- FY 2024 further enhancements:
 - Step increases (2.3-5.0%)
 - Fire and Police Collective Bargaining Agreements \$8.1 M General Fund
 - \$4.7 M for Police wages
 - \$3.4 M for Fire wages
 - \$2.3 M for 25 additional firefighters
 - 2.0% pay scale adjustment for general schedule and Sheriff's Deputies \$3.3M
 - **Targeted staffing studies \$200,000**



Economic Development

- **FY 2023**

- Economic Sustainability Study \$200,000 from ARPA
- New West End permitting center

- **FY 2024**

- **Diverse small business funding \$500,000**
- Landmark redevelopment
- Senior planning technician to support permit center requests



Infrastructure

- **FY 2023**

- DASH line 30 service expansion \$1.1 M
- DASH Staffing Enhancements \$350,000
- T&ES Grants Coordinator \$127,012
- Broadband Initiative Staffing \$432,000 (ARPA)
- Stormwater Development Plan Reviewer \$120,937 (Other Funds)
- Network Cybersecurity Monitoring \$28,000 (GF)
- Cloud Backup Solution \$80,000 (GF)



Infrastructure

- **FY 2023 (Continued)**

- Electric Vehicle Charging Station Navigator
- One-time Energy and Climate Change Action Plan Heat Vulnerability Analysis, Planning, and Community Engagement
- \$1.85 M climate action contingency created in add/delete



Infrastructure

- **FY 2024**

- Office of Climate Action staffing

- New Climate Action Officer
- New Climate Action Public Affairs and Community Engagement
- Energy Manager, EV Planner, and Energy Management Analyst transferred from General Services
- Green Building Manager and Sustainability Coordinator transferred from Planning and Zoning and T&ES



Infrastructure

- **FY 2024 (Continued)**

- Office of Climate Action \$600,000 for ongoing programs and activities
 - Incentive programs
 - Weatherization and energy assistance
 - Education, technical assistance, and promotion
 - Monitoring, measuring, and reporting
 - Demonstration projects



Infrastructure

- **FY 2024 (Continued)**
 - Urban forester \$115,192
 - Street renaming \$60,000
 - Disparity study in Purchasing \$200,000



Housing

- **FY 2023**

- Rent Relief for Elderly and/or Disabled Renters with Low Incomes: \$306,000 (GF)
- Arlandria Chirilagua Housing Cooperative: \$2.5M (ARPA)
- AHDC Arlandria Project Infrastructure: \$10M (ARPA in FY 2024)
- Eviction Prevention and Support Services: \$500,000 (ARPA Continuation of Tranche #1 Project)
- Eviction Prevention Data Analytics: \$99,782 (ARPA Continuation of Tranche #1 Project)
- Affordable housing designation increased to 1 cent



Housing

- **FY 2024**
 - **Funding to continue rental assistance services: \$100,000**
 - **Housing analyst \$93,000**
 - Real estate tax designation remains 1 cent



Public Safety

- **FY 2023**

- ACORP

- 1 team approved in FY 2022
 - 2 teams added in FY 2023
 - 1 DCHS Senior Therapist and 1 Police Officer per team

- Body Worn Cameras

- \$2.2 M for implementation

- Volunteer Alexandria CERT Training (\$106,000 from ARPA)

- School crossing zone monitoring \$490,000

- Vision Zero staffing \$150,000



Public Safety

- **FY 2024**

- Body Worn Cameras
 - Commonwealth's Attorney staffing
 - 5 positions added in FY 2023
 - 2 included in the FY 2024 proposed budget (\$257,982)
 - 3 in contingency pending workload analysis (\$287,982)
- **Volunteer Alexandria CERT Training (\$106,729 one-time General Fund)**
- **Independent Community Police Auditor \$100,000**
- Sheriff ADA/PREA manager \$123,164
- Public safety mental health clinician contingency \$100,000



Youth and Families

- **FY 2023**

- Out of School Time Program Investments: \$200,000 (GF)
- Enhanced Support for Children with Disabilities Participating in After School and Summer Out of School Time Programs: \$77,185 (GF)
- Mental Health Services for Court Involved Youth and Families: \$115,000 (GF) + 1.0 FTE
- Early childhood contingency \$400,000



Youth and Families

- **FY 2024**
 - **Early childhood state mandate compliance position \$110,000 (state funded)**
 - **Child welfare services efficiency efforts \$75,764**
 - **Services to youth with intellectual and developmental disabilities \$110,000 (state funded)**
 - **DCHS Parent and Infant Education (PIE) Senior Therapist: \$101,924 (state funded)**
 - **Health equity program manager \$125,356 (state funded)**
 - **Health Department Teen Wellness Center Administrative Support \$56,608**



Youth and Families

- **FY 2024**

- Court Service Unit Gang Intervention Prevention Education (IPE) services \$50,000
- Court Service Unit Bilingual Clinical Psychologist Contract Services for Youth Substance Abuse Cases \$88,400

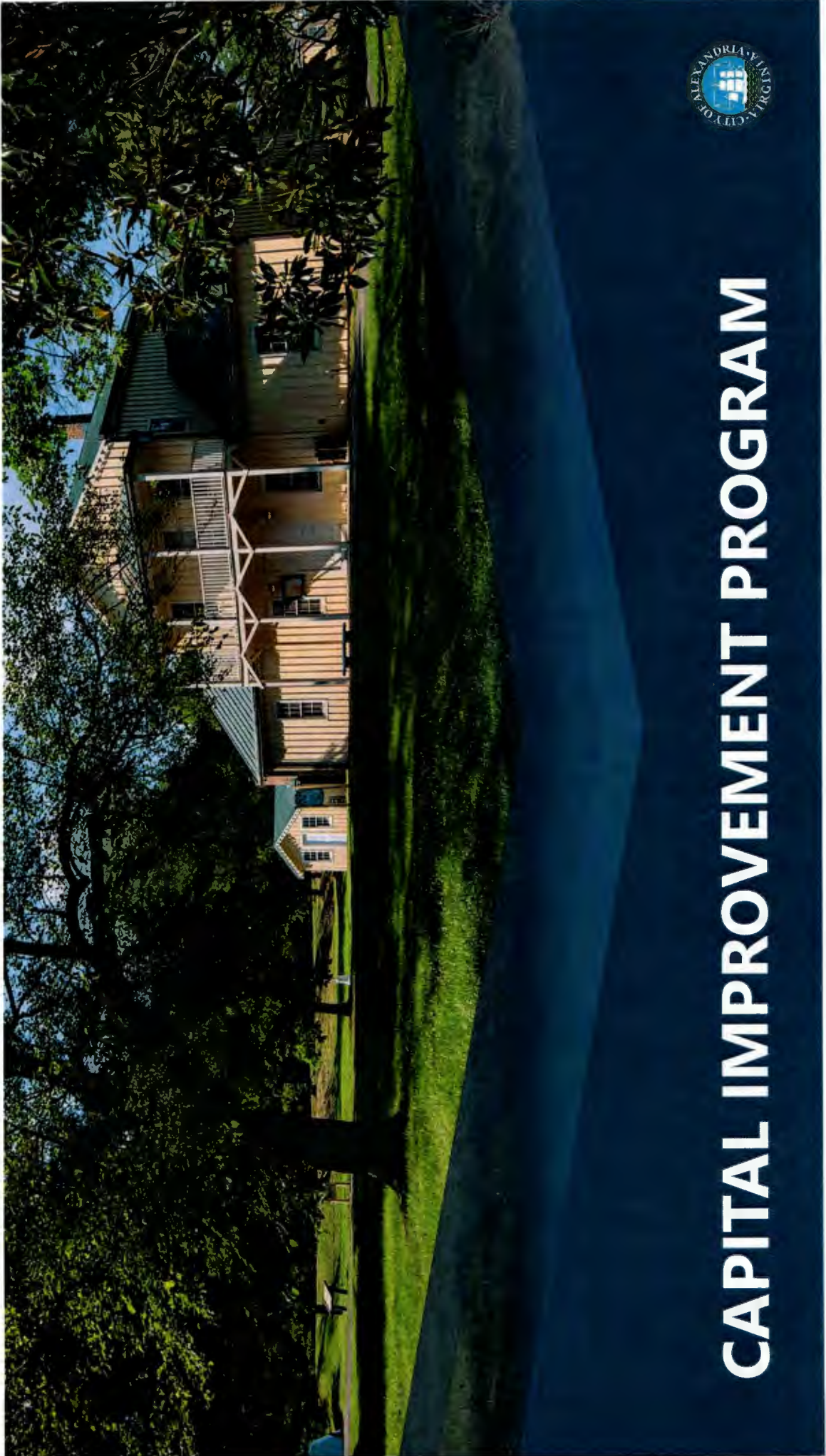


Youth and Families

- **FY 2024**

- Patrick Henry Teen Program 2-hour extension (Friday until 11 and Saturday until 8): \$11,868
- RPCA expanded classes and camps (net revenue)
- Real estate relief for spouses and families of veterans killed in the line of duty

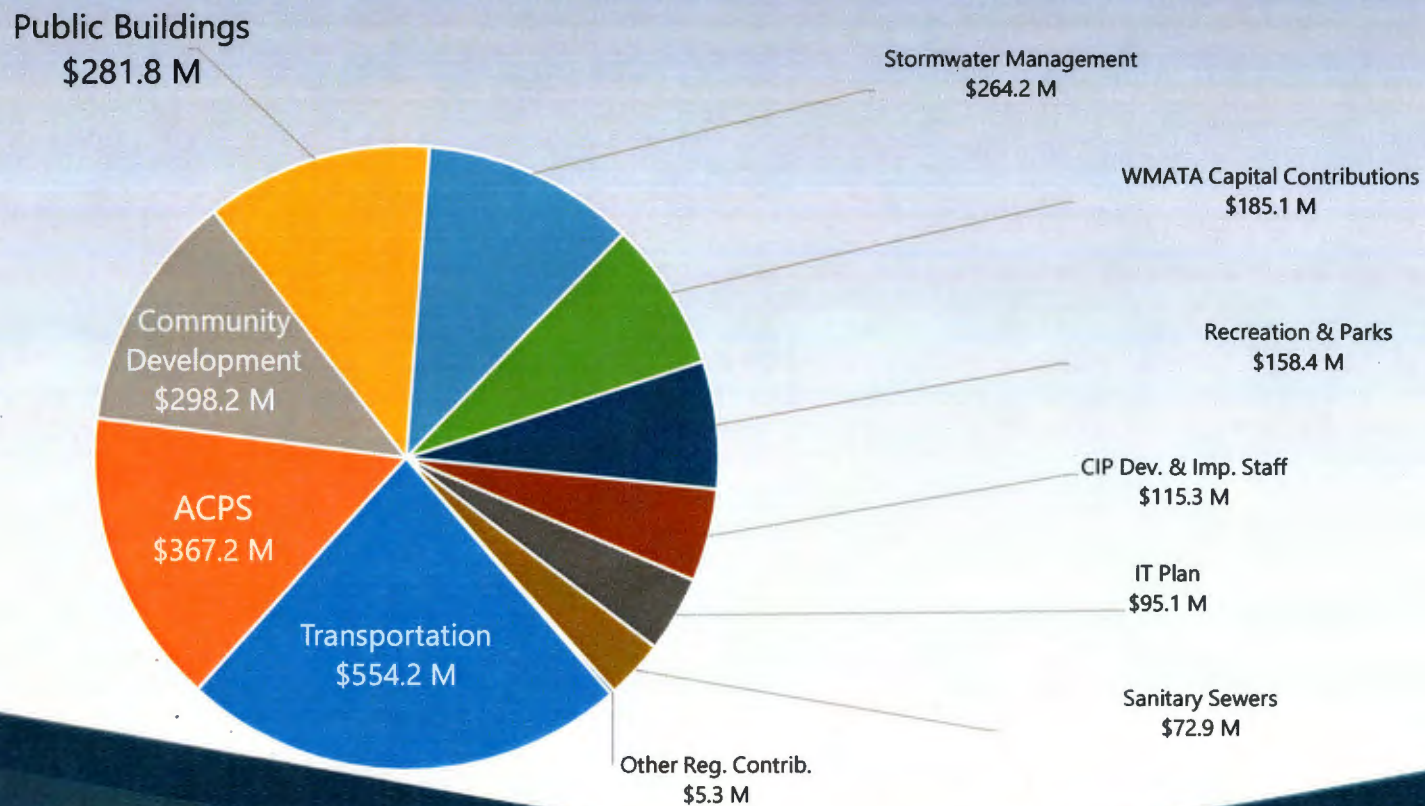




CAPITAL IMPROVEMENT PROGRAM

Proposed FY 2024 – FY 2033 CIP

\$2.40 billion



Capital Improvement Program

- \$2.40 B for FY 2024 – FY 2033
 - -12.0% over last year's Approved CIP
- Maintains funding for previously planned initiatives, while accommodating funding for new initiatives, and complying with City debt policies:
 - City Hall Renovation (\$110.2 M)
 - ACPS Escalation to on-going projects (\$15.1 M)
 - ACPS escalations to George Mason Elementary School project (\$24.4 M)
 - Waterfront Flood Mitigation (\$48.2 M)
- Provides \$367.2 M to support Schools capital program



Alternative Budget Options

- Recommendations for use of 1 cent real estate tax rate increase if considered through add/delete \$7.1 M including June payment
 - CIP sustainability \$4.6 M
 - Reduce borrowing for the new high school in FY 2024
 - Use to fund debt service increase in FY 2025
 - Employee compensation \$1.6 M
 - Additional 1% for general employees and Sheriff's Deputies



Alternative Budget Options

- Recommendations for use of 1 cent real estate tax rate increase if considered through add/delete
 - Emergency services bed-finder \$79,225
 - Bilingual clinical psychologist \$166,380
 - Construction project manager \$212,445
 - Out of School Time staffing \$200,000
 - 6 position conversions from part-time to full-time benefitted
 - Summer youth employment expansion \$200,000



Budget Development Dates


Date	Time	Meeting Topic
Tuesday, February 28, 2023	7:00pm	FY 2024 Proposed Budget Presentation
Wednesday, March 1, 2023	7:00pm	Budget Work Session: Capital Improvement Program
Thursday, March 2, 2023	7:00pm	FY 2024 Proposed Budget Public Presentation
Wednesday, March 8, 2023	7:00pm	Budget Work Session: Alexandria City Public Schools
Monday, March 13, 2023	5:30pm	Public Hearing FY 2024 Budget
Tuesday, March 14, 2023	7:00pm	Introduce the Maximum Property Tax Rates
Wednesday, March 15, 2023	7:00pm	Budget Work Session: #3
Saturday, March 18, 2023	9:30am	Additional Public Hearing FY 2024 Budget
Wednesday, March 22, 2023	7:00pm	Budget Work Session: #4
Wednesday, March 29, 2023	7:00pm	Budget Work Session: #5
Thursday, April 6, 2023		Add/deletes due
Saturday, April 15, 2023	9:30am	Add/Delete Public Hearing
Tuesday, April 25, 2023	TBD	Tax Rate Public Hearing/Budget Work Session: Preliminary Add/Delete Discussion
Monday, May 1, 2023	7:00pm	Budget Work Session: Final Add/Delete Discussion
Wednesday, May 3, 2023	7:00pm	Budget Adoption/ Tax Rate Adoption



Review and Comment on the Budget

Fiscal Year 2024 Budget Development

The FY 2024 proposed budget is scheduled to be presented by the City Manager to City Council on February 28, 2023. City Council held its annual retreat to kick-off the budget on November 5, 2022, and adopted budget guidance on November 9, 2022.

- [FY 2024 Budget Calendar](#)
- [FY 2024 Budget Resources](#)
- [FY 2024 Public Comment Form](#)
- [FY 2024 Budget Comments submitted before City Manager Presentation](#) 

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