



Legislation Text

File #: 24-1463, Version: 1

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 7, 2023

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER /s/

FROM: MORGAN ROUTH, DIRECTOR OF MANAGEMENT AND BUDGET

DOCKET TITLE:

Consideration of a Resolution to Establish FY 2025 Budget Guidance. [ROLL-CALL VOTE].

ISSUE: Consideration of a Resolution to Establish FY 2025 Budget Guidance.

RECOMMENDATION: That City Council adopt the FY 2025 Budget Guidance Resolution (Attachment). This resolution will provide guidance to the City Manager to be used in the preparation of the Proposed FY 2025 Operating Budget and Proposed FY 2025 to FY 2034 Capital Improvement Program to be presented on February 27, 2024, for City Council consideration.

BACKGROUND: The attachment in this docket reflects guidance adopted in prior resolutions, updated with FY 2025 budget development information. The City Council Retreat will be held on November 4, 2023, at which time staff will present an economic outlook and estimated budget gap for FY 2025 not including supplemental funding requests from departments and other agencies, or capital project increases beyond the current funding plan.

City Council has since the FY 2007 budget process annually adopted a resolution that provides the City Manager with guidance for the preparation of the forthcoming budget and 10-year Capital Improvement Program. The proposed Budget Guidance Resolution for the FY 2025 Operating Budget and FY 2025 to FY 2034 Capital Improvement Program reflects many of the same principles and features as the FY 2024 Council adopted Budget Guidance Resolution with the following changes:

- Organizations outside the City government should provide a level of base budget detail equivalent to that provided by internal city departments.

As always, staff will seek to absorb as many cost increases as possible by identifying efficiencies, increasing cost recovery, and reducing lower priority services to fund higher priority needs. The reduction options may contain service reductions and program cuts or eliminations which will be selected based on City priorities from this options list. The flexibility to consider a real estate tax rate increase would provide greater opportunity to prioritize and minimize service eliminations while also addressing unmet or underserved needs, particularly in the areas related to employee compensation, capital project funding, the COVID-19 pandemic and recovery from it, climate change, race and social equity, and technology.

FISCAL IMPACT: None.

ATTACHMENT: FY 2025 General Fund Operating Budget and Capital Improvement Program for FY 2025 to FY 2034 Budget Guidance Resolution.

STAFF:

Amanda Hamm, Assistant Director, Management and Budget