



FY 2019 Budget

Alexandria Federation of Civic Associations

November 29, 2017



FY 2019 Preliminary Revenue Estimates

General Fund Revenue	FY 2018 Approved	FY 2019 Estimate	\$ Change	% Change
Taxes	\$ 617.7	\$ 628.3	\$ 10.6	1.7%
Federal	\$ 9.1	\$ 9.1	\$ -	0.0%
State	\$ 47.4	\$ 47.4	\$ -	0.0%
Non-Tax	\$ 50.3	\$ 52.5	\$ 2.2	4.4%
Affordable Housing*	\$ 3.6	\$ -	\$ (3.6)	-100.0%
Total	\$ 728.1	\$ 737.3	\$ 9.2	1.3%

*\$3.6 million from May 2017 real estate tax rate increase was allocated on a one-time basis for affordable housing.



FY 2019 Preliminary Expenditure Estimates

General Fund Expenditures	FY 2018 Approved	FY 2019 Estimate	\$ Change	% Change
City Government	\$ 377.3	\$ 382.2	\$ 4.9	1.3%
Transit Services	\$ 27.2	\$ 32.0	\$ 4.8	17.6%
ACPS Transfer	\$ 214.1	\$ 232.4	\$ 18.3	8.5%
CIP Funding				
Cash Capital	\$ 37.9	\$ 38.2	\$ 0.3	0.8%
City Debt Service	\$ 43.2	\$ 46.6	\$ 3.4	7.9%
Schools Debt Service	\$ 28.5	\$ 32.5	\$ 4.0	14.0%
CIP Subtotal	\$ 109.6	\$ 117.3	\$ 7.7	7.0%
Total Expenditures	\$ 728.1	\$ 763.9	\$ 35.7	4.9%



City Government Budget Drivers

- +Employee Merit Steps
- +Health Insurance
- +VRS/OPEB/Line of Duty
- +Inflation (Operating & Capital)
- +Metro
- +Debt Service Impact of Capital Investments
- +Program Initiatives
- Service/Program Reductions
- Efficiencies
- +ACPS
- = \$26.6 Million Starting Budget Gap

Metro

- FY 2018 City Operating Share = \$40.3 M, Which Was an Increase of \$7.3 M or 22.1%
- FY 2018 City Capital Share = \$23 M, Which Was an Increase of \$14.5 M or 171%
- FY 2019 WMATA General Manager Proposing:
 - Operating Increase of \$1.8 M or 4.5%
 - Capital Increase of \$6 M or 26%
 - Does Not Include \$1.6 M in Debt Service on Bonds Issued by WMATA in FY 2018
- State-level Discussions Ongoing on Dedicated Funding Source or Cash Appropriation



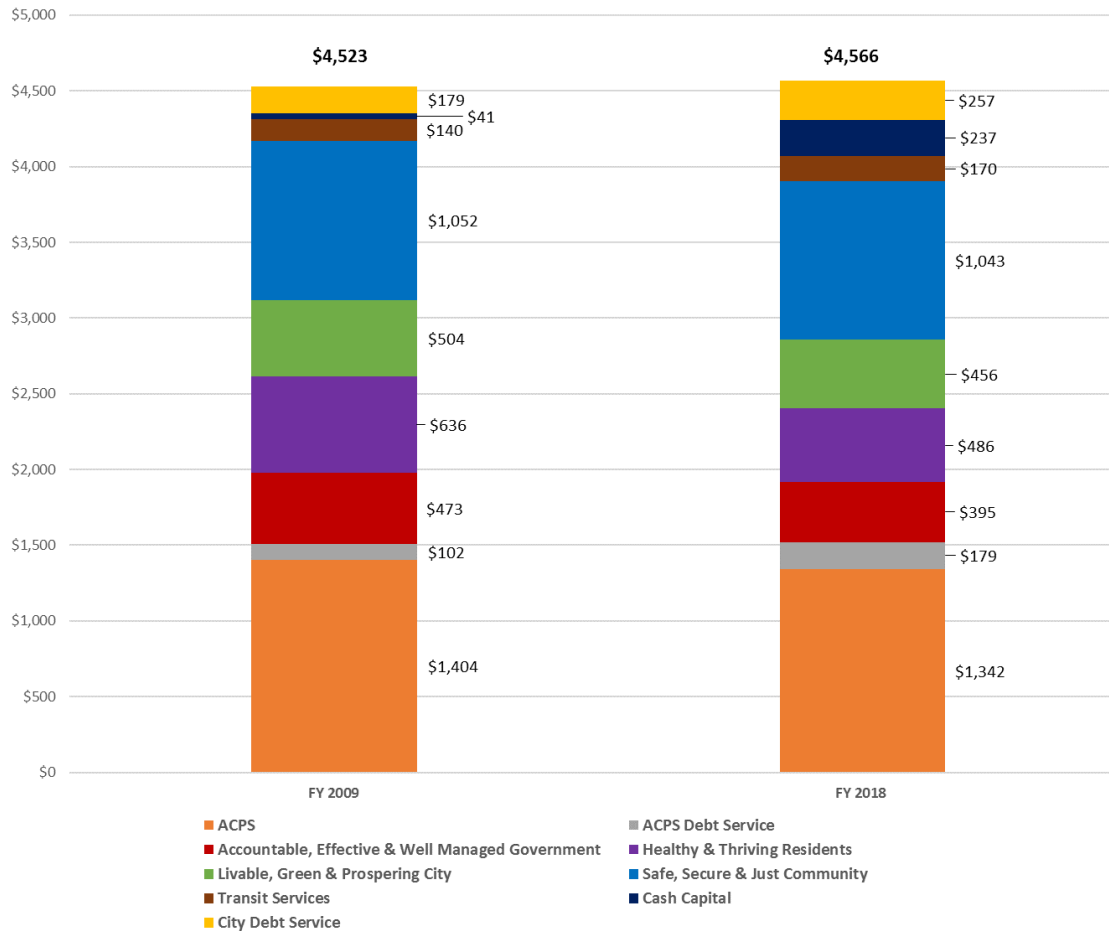
FY 2019 Preliminary Budget Gap

General Fund Preliminary Gap	FY 2018 Approved	FY 2019 Estimate	\$ Change	% Change
City	\$ 377.3	\$ 382.2	\$ 4.9	1.3%
Transit	\$ 27.2	\$ 32.0	\$ 4.8	17.6%
ACPS	\$ 214.1	\$ 232.4	\$ 18.3	8.5%
Capital	\$ 109.6	\$ 117.3	\$ 7.7	7.0%
Total	\$ 728.1	\$ 763.9	\$ 35.8	4.9%
Revenue	\$ 728.1	\$ 737.3	\$ 9.2	1.3%
Funding Gap	\$ -	\$ (26.6)		



Ten Year Budget History

GF Expenditures Per Capita FY 2009 & FY 2018 (CPI Adjusted)





City Council Budget Guidance

- No real estate tax rate increase
- ACPS (Range) = \$0 to Inflation + Enrollment Growth + New Elementary School
- ACPS requested to prioritize increases above current services
- CIP will be strongly influenced by recommendations of the Joint Facilities Task Force



Multi-Year Strategy

- Without Significant Revenue Growth, Future Reductions Will Be Necessary
- 2% Reduction Options by City Departments
- Priority Based Budgeting of City Services Beginning in FY 2019 and Continuing into FY 2020 and Beyond
- Ten Year CIP Biennial Update in FY 2020



Budget Schedule

- Nov 30: ACPS Proposed CIP Presentation
- Jan 11: ACPS CIP Adoption and Proposed Operating Budget Presentation
- Feb 20: City Proposed Operating Budget and CIP Presentation
- Feb 22: ACPS Operating Budget Adoption
- May 3: City Operating Budget and CIP Adoption



Public Participation Meetings & Input

- Feb 20: City Proposed Operating Budget and CIP Presentation to City Council
- Feb 22: Public Presentation of the City Proposed Operating Budget and CIP
- Feb 22 through Apr 30: City Council Work Sessions
- Mar 12: Budget Public Hearing
- Any time:
<https://www.alexandriava.gov/Budget> or
(703) 746-3737