



CITY OF ALEXANDRIA

V I R G I N I A

Proposed Budget Executive Summary
FY 2004
July 1, 2003 - June 30, 2004

City of Alexandria

FY 2004 BUDGET

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OMB staff also wish to acknowledge the contributions of the General Services staff in the Mail Services Division and the City's Print Shop for their assistance in the preparation of this budget document.

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GFOA Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Alexandria
Virginia**

For the Fiscal Year Beginning
July 1, 2002

A handwritten signature in black ink, appearing to read "William A. White".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Egan".

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Alexandria, Virginia for its annual budget for the fiscal year beginning July 1, 2002.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

MISSION AND VALUES FOR THE CITY OF ALEXANDRIA

MISSION

We deliver excellent service for all who live in, work in, or visit our City, to enhance the quality of their lives.

VALUES

Respect:

We value the thoughts, ideas and opinions of our co-workers and citizens by listening, acknowledging, and responding in a positive manner.

Responsibility:

We demonstrate our accountability to each other and the community by problem-solving and offering solutions.

Teamwork:

We work together closely to draw on the talents of every worker and achieve excellence in our work.

Communication:

We engage in open, effective, respectful, and honest dialogue with our co-workers and citizens.

Diversity:

We value a diverse and inclusive workforce and the differences that each worker brings to the community.

Leadership:

We foster a work environment which allows workers to grow and develop as leaders and make unique contributions to our pursuit of excellence.



Index

I.	City Manager's Budget Message	1
II.	Understanding the Budget	14
III.	Facts and Figures	25
IV.	<u>Summary Tables</u>	
	A. Expenditure Summaries	
	Statement of Total Revenue	30
	Statement of Total Expenditures	31
	Statement of Total Sources and Uses	32
	Share of Budget by Department	34
	Expenditure Summary	37
	FY 2004 Proposed Budget by Program	45
	B. <u>Revenue Summaries</u>	
	General Fund Revenue Distribution	56
	Summary of Budgeted Revenues and Other Financing Sources	57
	General Fund Revenue Summary	58
	Statement of Estimated Real Property Tax Revenues	65
	Real Estate Tax Rates by Calendar Year	67
	Real Property Tax Base	70
	Real Estate Assessments by Calendar Year	72
	Real Property Assessments Compared to Real Property Tax Revenues	74
	Real Property Tax Revenue as Compared to Inflation	75
	Per Capita Residential Real Estate Tax Revenue	76
	FY 2004 Proposed Tax Rates for Major Revenue Sources	77
	Grant Funding Summary	79
	Community Development Block Grant	85
	C. <u>Fund Balance</u>	
	Statement of Estimated General Fund Fund Balance	89
	Statement of Estimated Undesignated Fund Balance	93
	D. <u>Forecast Scenarios</u>	
	Multi-Year Revenue and Expenditure Forecast Scenarios	95
	E. <u>Personnel Summary</u>	
	General Salary Adjustment History	105
	Changes in Full-Time Positions	106
	Employment	114
V.	<u>Capital Improvement Program</u>	
	A. Overview	116
	Capital Improvement Summary Tables	131
	Capital Improvement Funding Totals	141

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 11, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*

SUBJECT: PROPOSED FY 2004 OPERATING BUDGET AND
PROPOSED FY 2004-FY 2009 CAPITAL IMPROVEMENT PROGRAM

Introduction

I am pleased to present the City of Alexandria's proposed FY 2004 Operating Budget and the proposed FY 2004-FY 2009 Capital Improvement Program (CIP).

The proposed All Funds Operating Budget totals \$479.2 million, which is an increase of \$21.2 million, or 4.6 %, over the FY 2003 All Funds Budget.

The proposed FY 2004 General Fund Operating Budget totals \$398.6 million, which is an increase of \$24.7 million, or 6.6%, over the FY 2003 General Fund Budget.

The proposed FY 2004-FY 2009 CIP totals \$327.7 million (net City share), which is an increase of \$144.0 million, or 78%, over the FY 2003-FY 2008 CIP.

In many ways, this has been a year unlike other budget years. Both the General Fund Operating Budget and the CIP are the product of the balancing of a wide range of important, often-competing factors, some of which we have not seen in previous years. These include:

- The need to reduce the real estate tax burden, particularly as it falls on the residential community, as a result of the significant rise in 2003 assessments.
- The reductions in the amount of Virginia aid which the City has experienced in FY 2002 and 2003, the additional reductions we will incur in FY 2004, and the fact that further reductions and increases in unfunded mandates are likely in future years.
- The reductions in non-property-tax revenues, including, in particular, earnings on City investments (down \$2.1 million from FY 2002 due to low market interest rates for investment), intergovernmental revenue (down \$1.5 million from FY 2002), recordation fees (down \$1 million from the mortgage refinancing driven FY 2002 levels), and \$0.7 million in lower telecommunications taxes.

- Increasing needs in the public safety area, in light of the City's rising residential and work populations and, more importantly, the City's proximity to the nation's capital and the corresponding potential threat to public safety and security.
- Continued full funding of the Schools' operating and capital budgets, in order to continue the progress toward a fully accredited school system.
- The need to remain competitive in the area of employee compensation and benefits, and, if at least equal importance, the need to recognize members of the City's workforce for the outstanding work they do.
- The emergence of two very significant capital funding requirements that the City must, unfortunately, face in the near-term time frame: the construction of a new T.C. Williams High School, and the construction of a new police department facility because the current facility is inadequate.
- The need to maintain compliance with all of the City's financial ratios and policies which have enabled us to retain AAA/Aaa bond ratings since 1992.
- Continuation of important program and service enhancements made over the past few years in a number of operational and regulatory areas.

I need to note that, notwithstanding their increases, the proposed operating and CIP budgets fall short of addressing current and future City needs.

In the public safety area, we face the documented need, with the City's rising populations, to increase our law enforcement personnel. Last year, nine officers were added to the police department. This year, I have not proposed to fund the police department's supplemental request for five additional officers. Nor have I proposed to fund the fire department's request for four additional EMS supervisors, so that two, rather than one, supervisors are on duty in the City at all times. Nor have I proposed to fund the Sheriff's request for additional staff and equipment, resources that, the Sheriff feels, are required to enable his staff to assist the Police Department in emergency situations. These non-funded public safety supplemental requests totaled approximately \$1 million.

Outside the public safety area, some \$.8 million in supplemental requests from other departments have not been funded.

In the capital area, a number of significant needs are not addressed in the proposed six-year CIP. These include:

- Expanded open space acquisition activities (beyond the \$200,000 a year in the proposed CIP).

- Construction of a new DASH facility and the acquisition of additional buses.
- Increased required City contributions, starting in FY 2006, to WMATA for its CIP programs.
- Infrastructure improvements in the Arlandria area, pursuant to the Upper Potomac West Small Area Plan.
- Infrastructure improvements in the Eisenhower-East area (estimated over \$60 million), pursuant to the plan for Eisenhower East, beyond the \$18.0 million in State urban funds and \$0.4 million in local funds included in the proposed CIP.
- Construction of a ninth fire station.
- Replacement of voting equipment that is currently in use.
- Acquisition or long term lease of the Department of Human Services facility on Mt. Vernon Avenue, or a replacement facility.
- Substantial upgrades to the City's swimming pools.
- Flood control measures on lower King Street.
- Full funding of various capital improvement projects at the City's historical and museum sites.
- Full funding of park renovations and replacement of athletic field lighting.

Proposed FY 2004
General Fund Operating Budget

Overview

The proposed FY 2004 General Fund Operating Budget totals \$398.6 million, as follows:

- Schools. \$122.4 million, or 30.7%, is for operations of the Alexandria City Public Schools. This fully funds the operating budget submitted by the Schools.
- City. \$238.9 million, or 60%, is for operations of City departments and agencies, including funding for the courts, court clerks, commonwealth attorney's office and registrar of voters, and transit contributions to WMATA and DASH.
- Capital funding. \$36.4 million, or 9.1%, is for debt service and cash capital to finance City and Schools CIP projects.

- Contingency reserve. \$.925 million, or .2%, is set aside in reserve for contingencies arising during the fiscal year.

Projected FY 2004 Revenues

FY 2004 General Fund revenues are projected at \$392.0 million, which represents a 7.8% increase from the FY 2003 budget. To supplement these revenues, in order to balance the proposed budget, \$6.0 million is proposed to be appropriated from Fund Balance, and \$.6 million from the recycling fund balance. These sources combine to total \$398.6 million, which is equal to the proposed operating budget expenditures.

The projected General Fund revenue of \$392.0 million is \$28.4 million more than the FY 2003 budget's projected revenue. Of this increase, \$26.6 million, or nearly all of the revenue increase, is derived from increased real estate taxes. Other local tax (i.e., non-real property tax) revenue is projected to increase by only \$4.5 million, and is largely offset by a projected decrease of \$2.7 million in non-tax revenue. Thus, the projected increase in real estate taxes, of \$26.6 million, makes up almost all of the increase in revenue that is projected for FY 2004 and, as a result, funds nearly all proposed expenditure increases.

This \$26.6 million increase in real estate taxes reflects a proposed three-cent reduction in the City's real estate tax rate, from \$1.08 to \$1.05 per \$100 assessed value. This rate reduction translates into a \$ 5.8 million revenue reduction in FY 2004, and a \$2.8 million reduction in the second half of FY 2003 (since the reduced rate would apply to the real estate tax payment due this June 15). In total, the reduction provides \$8.6 million in tax relief to property owners, to address the rising assessments. In addition, \$0.2 million in additional tax relief funds have been set aside (pending a decision by City Council) to expand tax relief to senior citizens, the disabled and possibly other segments of the Alexandria homeowner population.

While this reduction in the real estate rate to \$1.05 will produce some relief for homeowners, annual taxes on the average residential home in the City (\$308,876) will still increase by 21%, or approximately \$563. The 2003 assessment increase on the average residential home is 24.5%; thus, the three-cent rate reduction will reduce this increase by about \$93 per year.¹

Of the \$26.6 million projected increase in real estate taxes (with the three-cent rate reduction), taxes on residential property will contribute 57.7%, taxes on commercial property (including apartments) 38.8%, and taxes on public service corporation 3.5%. Corresponding figures in FY 2003 were 55.1% for residential, 40.8% for commercial, and 4.1% for public service corporation properties.

¹ For the average single-family home, the three-cent rate reduction will result in a tax increase of 18.6%, or \$675; the average assessed value of a single-family home is \$409,613, an increase of 22% from 2002. For the average condominium, the three-cent reduction will result in a tax increase of 27.3%, or \$399; the average assessed value of a condominium is \$177,079, an increase of 31% from 2002.

As discussed below, proposed expenditures for FY 2004 total \$398.6 million, or \$6.6 million above the projected revenues of \$392.0 million. To cover this shortfall, \$6 million are proposed to be appropriated from Fund Balance, together with \$.6 million from a special fund devoted to recycling activities.² \$2.4 million of the \$6.0 million Fund Balance appropriation stems from projected FY 2003 planned underspending by City departments. This is the result of the saving contingency plans that were instituted in the fall of 2002.

Proposed Expenditures

The proposed FY 2004 General Fund budget contains expenditures \$398.6 million, a \$24.7 million, or 6.6%, increase over the FY 2003 operating budget. This \$24.7 million expenditure increase breaks down as follows:

- Schools. \$7.0 million increase in School expenditures.
- Capital. \$4.5 million increase in capital expenditures (debt service and cash capital).
- City. \$13.2 million increase in general City operating expenditures.

The \$13.2 million increase in City expenditures breaks down as follows:

- Compensation and benefits. \$8.7 million in compensation increases (merit increases, a 2.25% COLA, increases in health and life insurance premiums, an increased contribution to the City's supplemental retirement program to address underfunding, and increased transit benefits).
- Transit. \$1.2 million in increased City support of WMATA and DASH operations.
- Police leased space. \$1.1 million for off-site police lease costs during the department's transition to a new facility.
- Residential care: \$0.5 million increase in juvenile detention costs, and community services and residential programs.
- Supplementals. \$1.7 million in funded supplemental departmental requests (described below).
- Non-personnel costs: City non-personnel costs have not increased from FY 2003, and have been held flat or have decreased, in nearly all City departments and agencies.

² As of FY 2003, the Recycling Fund, formerly maintained as a separate fund, and its expenditures, revenues and fund balance, were folded into the General Fund.

State revenues. It is important to note the impact of Virginia aid reductions on the proposed FY 2004 budget. These aid reductions are comprised of direct cutbacks in specific programs, and the stagnation of State aid for programs where the City and the State have historically shared funding. The cost of State revenue reductions to the City and Schools for FY 2004 is estimated to be approximately \$3 million. Many of these reductions started in FY 2002, continued or increased in FY 2003, and will continue in FY 2004. The City has lost State aid in the areas of education, law enforcement, criminal prosecution, tax collection, mental retardation and mental illness, and adult and youth correctional services. We have reduced spending in some of these areas. However, in most of the areas where the State has reduced its historical funding commitment, the City has needed to, and in many cases has been obligated to, continue delivering core services to the Alexandria community. Also to be noted is that the State has increased its unfunded mandates, at the same time it has been reducing aid to localities, forcing the City to provide local funding for new and unfunded State requirements.

Service delivery improvements. In the last two years, as State aid has diminished and the pressure on the residential taxpayer has increased, we have acted to conserve resources and to increase the productivity and efficiency of the City government, while at the same time improving the quality and responsiveness of services.

In both FY 2003 and FY 2004, departments were required to institute savings plans and to turn back a portion of their already approved budgets. By the close of FY 2003, it is estimated that this two-year effort will have saved over \$5.4 million. In addition, investment in technology has enabled the City to greatly improve the productivity of the City workforce – from police officers who have cutting edge wireless laptop computer technology in their police cruisers, to land use planners who have three-dimensional GIS information at their fingertips, to our citizens and businesses who can review their assessments and recent neighborhood sales on-line. Soon we will be implementing an on-line permit status checking system for building contractors.

Over the last few years, many City departments have made significant strides in improving existing City delivery systems and outcomes. Examples include: a new preventive maintenance program for City vehicles which has reduced down-time and increased vehicle reliability; the decline in response times for emergency medical services; the decrease in Part I crimes over six of the past seven years; the more aggressive collection of back taxes and fees (including environmental fines) which has produced over \$2 million to date; the reduction by 50% of overtime usage in recreation and parks due to better scheduling and planning of staff resource deployment; the reduction from three months to one month in the time to respond to citizens' tree maintenance requests; the increase in the number of departments seeking to obtain or maintain "best practice"-requiring professional accreditation; the streamlining and redefining of our purchasing processes which have resulted in significant procurement savings; the provision of pre-tax flexible health, child care and transit programs for our employees; the institution of cost containment policies (such as substantially higher co-pays for prescriptions) which have reduced the rise in health insurance premiums; and last month the purchase of our first fuel efficient electric/gasoline powered hybrid vehicles. These are a few of many improvements to City

services and efficiencies that have been instituted over the last few years. Later this month, a budget memorandum will address more of these improvements.

Expenditure highlights are as follows.

Alexandria City Public Schools. The proposed budget provides full funding for the School Board's submitted operating budget of \$119.9 million, as well as a 2.25 percent COLA for all School employees (\$2.4 million), bringing the total Schools operating budget to \$122.4 million. This represents a \$7.0 million, or 6.1%, increase over the Schools FY 2003 operating budget.

Of the \$7.0 million increase in Schools funding, approximately \$2.0 million arises from a transition that the School Board wishes to make to a new teacher compensation program, and that funds teacher compensation costs beyond merit increases and a cost of living adjustment. More specifically, approximately \$850,000 is budgeted to expand the number of teacher work days from 190 to 192 (and the number of instructional days from 180 to 183), and an additional \$1.2 million is provided to transition teachers from the multiple teacher salary schedules that now exist to a single new schedule, containing six additional steps, and to make available a new stipend program that will pay a differential of \$9,000 to teachers with Master's degrees.

Under normal circumstances, I would not recommend funding these teacher compensation increases that go beyond merit increases, a COLA and the two-day extension in the teaching year. However, since the overall Schools budget, with this additional compensation, represents a reasonable increase over last year's budget (6.1%) and aims the Schools towards full accreditation, I am recommending that the entire compensation increase sought by the School Board be funded.

Cash capital and debt service. The proposed budget substantially expands the expenditures for debt service and cash capital, by \$4.5 million over the FY 2003 budget (and by \$8.1 million over the FY 2002 budget). This continued increase in the operating budget's capital funding raises from the significant expansion of the CIP, discussed below, and the intention to fund a substantial part of our annual capital costs through cash capital.

City compensation and benefits. The proposed budget contains \$8.7 million for increased compensation and benefits for City employees. Included in this sum is:

- Merit increases. \$3.0 million is for merit increases to City employees.
- COLA. \$3.87 million is for a 2.25% cost of living adjustment. This is less than the rate of inflation between January 2002 to January 2003 in the Washington, D.C.- Baltimore area, which was 3.3%, and will likely be less than the COLAs given by other metropolitan area localities. However, projected revenues for FY 2004 are not sufficient to fund a COLA higher than 2.25%.

- Insurance premiums. \$1.15 million is for increases in employee health and life insurance premium costs. Here, I note, our health insurance premium increases are expected to be below 10%, which will be less than the national trend of double digit increases, and stems, in part, from the cost containment measures instituted over the last few years.
- Retirement contribution. \$.5 million is for an increased contribution to the City's supplemental retirement plan for general employees to begin to address this plan's underfunding.

Transit costs. The City's contribution to WMATA, to support bus and rail operations, will increase by \$0.9 million in FY 2004, and our contribution to support DASH operations will increase \$0.3 million, for a total of \$1.2 million.

Police lease costs. The proposed CIP includes construction of a new police facility to be completed in 2010. Pending completion of the new facility, approximately 56,000 square feet of off-site space is needed to house police operations that have outgrown the current facility and those units that will be relocated during work on facility's foundation. The space currently under lease negotiations is on Eisenhower Avenue, near the public safety center, and carries an annual lease cost of \$1.1 million. (In addition to these costs, one-time capital costs of \$3.5 million, to build out the space, are included in the CIP.)

Supplemental requests and continuation of important programs. The proposed budget continues funding for a number of important operational, regulatory and service improvements that Council has initiated over the past few years. It also proposes to fund a number of supplemental department requests, totaling approximately \$1.7 million, much of which are the consequence of new federal or state mandates or which follow from prior City acquisitions or capital projects (e.g., replacement depreciation of equipment acquired with non-City funds, costs to maintain and repair newly purchased vehicles, and costs for increased custodial and maintenance services at new or expanded City facilities). Here, the budget provides:

- \$1 million for the Housing Opportunities Fund, bringing the HOF to a total balance of \$2.65 million. I intend to recommend this spring that funds from the HOF, or from the Housing Trust Fund, be made available to assist in the creation and operation of a new Alexandria-based, non-profit housing development corporation, whose mission would be the acquisition, construction and operation of affordable housing in the City, using in part HOF funds.
- \$150,000 in new FY 2004 funding to enable the City to comply with federal storm water management regulations which become effective this July.
- \$120,000 in new FY 2004 funding to enable the Department of Transportation & Environmental Services to develop an in-house traffic modeling capability, in order to reduced our reliance on outside contractors.

- \$ 600,000 per year in continued funding for traffic calming and other measures designed to protect residential neighborhoods from cut-through traffic.
- \$474,000 in continued funding for salaries and professional services to enable the Department of Planning & Zoning to continue implementation of the Plan for Planning. Planning activities scheduled for FY 2004 include Mt Vernon Avenue, Eisenhower West, the waterfront and the Hunting Tower/Hunting Terrace area.
- \$100,000 in new FY 2004 funding, and continuation of the \$354,000 in funds added in FY 2002, for increased upkeep and maintenance of parks, fields, medians, areas along the waterfront, and City entrances, including \$50,000 for improvements of the streetscape along King Street.
- \$311,000 in new funding in FY 2004 for three additional social workers, expanded psychological services and other improvements to the delivery of child welfare services in the Department of Human Services, together with \$535,000 in continued funding for staff and staff training to continue the department's child welfare reforms.
- \$1.8 million in City support (along with \$6.4 million in State and federal funding) for child day care, provided to preschoolers by home providers and child care centers, and to elementary age children by the Campagna Center.
- \$240,000 in continued funding for Arlandria Neighborhood Health Services, Inc., including new funding in FY 2004 of \$20,000.
- \$118,000 in continued funding for the teen pregnancy prevention program, including \$18,000 in new FY 2004 funding to move the coordinator's position from part- to full-time.
- \$425,000 in continued funding for the purchase of vocational, day support and residential services for adult consumers (including recent and pending high school graduates) with mental retardation.
- \$42,000 in new FY 2004 funding for additional staff to operate the expanded Durant Center after its re-opening in mid-FY 2004.
- \$29,900 in new FY 2004 funding for weather gear for deputy sheriffs assigned to provide security at the perimeter of the public safety center, as well as at other areas of the City.
- \$95,000 in new FY 2004 funding for the Finance Department to apply a host of new state-imposed "car tax" administrative requirements, and to assist in the management of the City retirement programs.

- \$325,000 in new FY funding for the upkeep, repair and maintenance of the King Street facility that, starting in mid-to late FY 2004, will house the Health Department and Clubhouse program, and for the servicing of approximately 34 vehicles that were added to the City's fleet in FY 2002 and FY 2003.

I believe the proposed operating budget strikes an appropriate balance among many competing factors and interests by: (i) providing \$8.8 million in real estate tax relief to City property owners; (ii) funding in full the School Board's requested operating budget in recognition of the significant progress that the Schools have made in the area of accreditation and of the importance of accreditation to the entire Alexandria community; (iii) limiting the growth in City expenditures to modest increases in employee compensation and in areas of high priority need; (iv) providing a substantial contribution to cash capital to assist in funding the expanded CIP; and (v) relying on a reasonable appropriation from Fund Balance.

Proposed FY 2004-FY 2009
Capital Improvement Program

The proposed FY 2004-FY 2009 CIP totals \$543.7 million. Federal, State and other non-City sources fund \$165.3 million of this total. The City is responsible for the remaining \$378.4 million, \$50.7 of which has been funded in prior fiscal years. Thus, the net City share of the proposed CIP is \$327.7 million, which is \$144.0 million, or 78%, larger than the net City share of the current CIP.

The proposed CIP of \$327.7 million fully funds the \$130.5 million capital improvement program submitted by the Schools. This represents a 50.5% increase over the Schools' share of the current CIP. The proposed CIP funds a total of \$197.2 million in City projects, a 60.0% increase over the current CIP.

The very substantial increase in the proposed CIP is largely attributable to a few major capital projects. Ideally, of course, truly major capital projects are scheduled over one or two decades to avoid their costs all occurring at approximately the same time. Unfortunately, at this time, a few large City and Schools projects need to be undertaken, and their sizable costs incurred, at roughly the same time. While this will help City finances in later years, when the projects will not have to be undertaken, it poses a serious financial challenge in the short term when these substantial projects will take place at about the same time.

The substantial CIP increase is mainly attributable to the following six major projects.

- T.C. Williams. The proposed CIP adds \$45.3 million to the T.C. Williams High School project, which is in the current CIP at \$29.2 million, bringing the total project cost to \$74.5 million. This increase in project costs arises from revised estimates submitted by the Schools, which are based on design, engineering and other information developed over the past year.

- Police Department replacement facility. As discussed at last fall's Council retreat, the police facility on Mill Road can no longer adequately handle the current space needs of the department, let alone the needs projected for the future. Construction of the required additional space either adjacent to or on top of the current facility is not feasible. As a result, the CIP proposes the construction of a new facility for the Police Department, at an estimated cost of \$65.5 million (including land acquisition). Construction of the new facility is proposed to begin in 2008, and to be completed in 2010.
- Recreation centers. Also discussed at last fall's retreat, as part of the Recreation needs assessment, was the need to renovate two recreation centers, Charles Houston and Patrick Henry. These centers were constructed in 1976 and 1973, respectively, have not been renovated since their construction, and are the two remaining centers that have not received relatively extensive refurbishment work since their construction. The renovation of these centers is estimated at \$7.6 million, and is scheduled in the FY 2005-FY 2006 time frame.
- Chinquapin Recreation Center. Considerable discussion has occurred over the past nine months about the joint City-Schools use of the Chinquapin Recreation Center and the new T.C. Williams High School. Though many decisions remain to be made, this joint use concept appears feasible and desirable. Moreover, the Recreation needs assessment addresses the need for a City-wide community center that can be utilized by all residents. To maximize the value of a "Chinquapin-T.C. Williams joint use" and to enhance the Chinquapin Center's ability to serve all residents, the CIP proposes the renovation and expansion of Chinquapin. This project is estimated at \$20 million, and is scheduled tentatively for FY 2007. Although this project is included in the proposed CIP, considerable public input and discussion is required before any decision on the project can be made.
- Sanitary sewers. An additional \$12.7 million is added to the CIP for repairs to the City's existing sanitary sewer system, to bring the total for this project to \$24.2 million. \$12.5 million of this \$24.2 million is for infiltration/inflow projects.³
- T&ES/Recreation maintenance facility. The CIP contains \$1.8 million for the renovation of this facility on South Quaker Lane. It houses many of the maintenance functions of both T&ES and Recreation, and is in need of substantial

³ In FY 2004, I intend to recommend an increase to the sewer fee that now is charged all water users in the City as part of their water bill. Current fees are set at \$0.20 per 1,000 gallons of water used. It is anticipated that the fee increase will produce an additional \$1.1 million in revenue each year (about \$16 per household), and that this revenue could be used to maintain and repair the City's sanitary sewer system. This increase is part of a multi-year rate increase plan to make the City's sanitary sewer capital and operating costs fully fee-supported, as is the norm in all major jurisdictions in our region.

repair and renovation. The building was constructed in 1961, for other uses, and has not been significantly upgraded since then.

The challenge posed by this substantially increased CIP has been the development of a funding plan that ensures compliance with the City's longstanding financial ratios. This has been done, as we will discuss during the budget work sessions, utilizing a combination of new borrowing (\$212.1 over the six-year CIP), increased contributions of cash capital, creation of a new user fee funding stream to finance sanitary sewer capital costs, and some use of Fund Balance designated for capital projects. Under the proposed funding plan, the City will remain consistent with debt ratio targets and limitations established in Council's Debt Related Financial Policies.

The City's capital improvement program is critical to the well being of the City because it is critical to the City's health, stability and desirability -- as a place to live, to raise a family, to locate a business, to work and to visit. It is also critical that the capital improvement program look well into the future and address infrastructure, facility and other capital matters before they become a problem and before they adversely impact the City's health, stability and desirability. I believe that the proposed FY 2004-FY 2009 CIP does just this, and will help maintain Alexandria as one of the finest communities in the country in which to live or work. .

Budget Documents

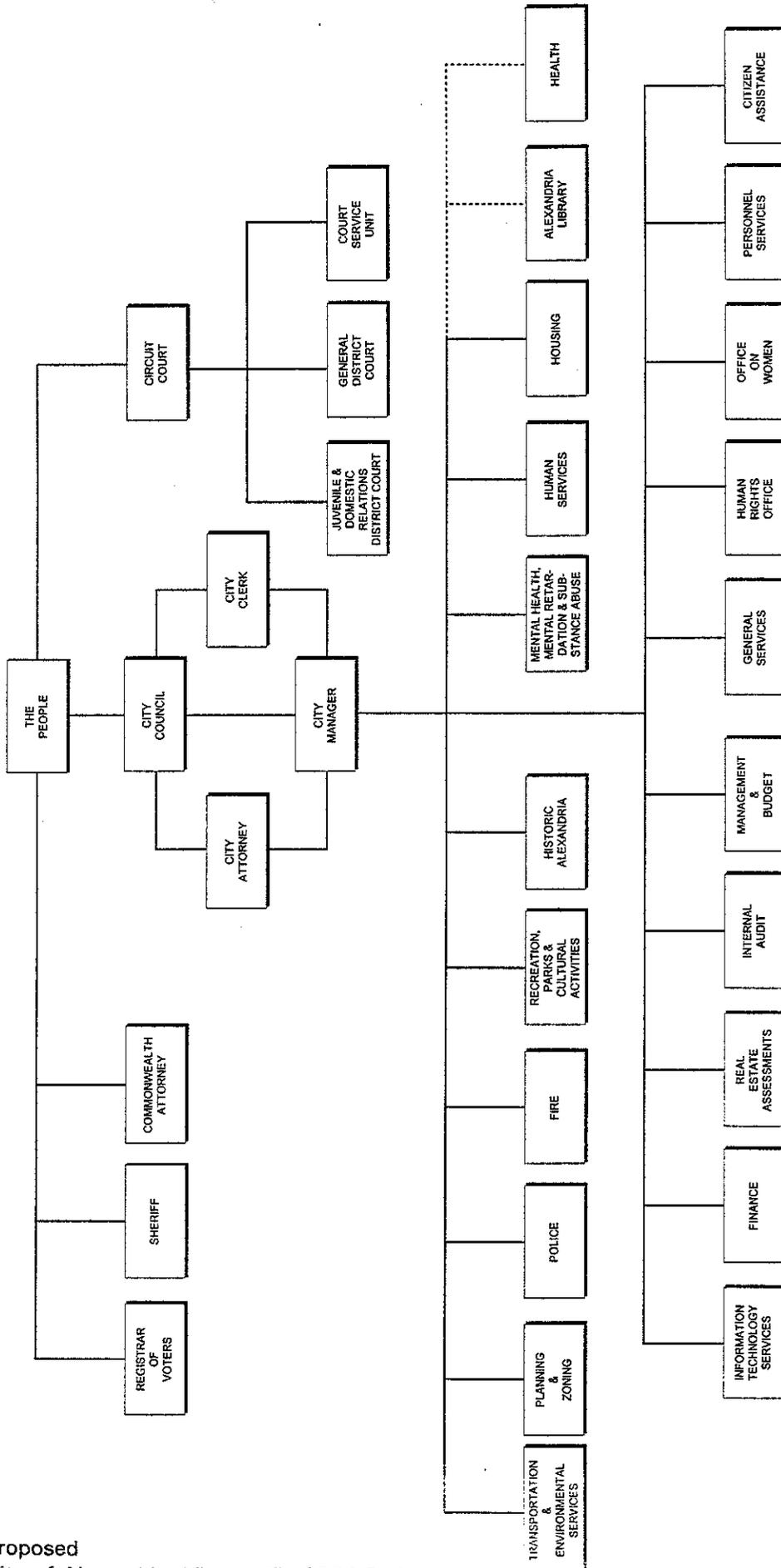
To obtain particular details on the proposed FY 2004 operating budget and the proposed FY 2004-FY 2009 CIP, citizens can obtain a copy of either or both of these budget documents. These documents are available online at the City's web site, www.ci.alexandria.va.us, along with a form for submitting budget comments or suggestions. These budget documents can also be obtained on CD-ROM from the City's Office of Management and Budget (703/838-4780).

Appreciation

Preparation of this year's budget has been particularly difficult. I want to thank the staff from all of our departments and agencies, who have spent literally thousands of hours in the preparation of the operating and capital budgets for FY 2004. Without exception, every department and agency worked very hard to bring their budgets within guidelines to the degree genuinely feasible. Also, as in the past, we have enjoyed a solid and productive working relationship with the Superintendent of Schools, Rebecca Perry, and her staff.

Special thanks go to the Office of Management and Budget, its acting deputy director, Carol Moore, and of course Assistant City Manager Mark Jinks, for their tremendous effort in producing the FY 2004 budgets. Their critical analytical work, thoughtful commentary, sound advice and guidance, and extraordinarily hard work makes our budget staff among the best in the country.

ALEXANDRIA CITY GOVERNMENT



Understanding the Budget

The City's budget serves as the blueprint for the financial and policy decisions that City Council will implement during the fiscal year. Budgeting is necessary for several reasons.

First, the budget is a fiscal plan. Budgeting provides estimates of the costs that will be incurred if activities are carried out as planned; the revenues necessary to finance these activities; and the rates of taxation necessary to generate these revenues. The appropriation ordinance adopted by the City Council establishes the legal authorization for the expenditure of public monies and becomes the approved financial plan of action for the upcoming fiscal year.

Second, the budget is a management tool. The budget process provides an opportunity for the City Manager, department directors and agency heads to evaluate the City's services and recommend the best means of allocating resources to provide effective and efficient government services. Program goals, objectives, descriptions and activities are linked to performance measures that are detailed in the budget, as are the costs and resources required to meet the goals and objectives. As a management tool, the budget serves to establish accountability for the effective and efficient operation of specific programs and to locate responsibility for the delivery of City services.

Beginning with City Council's consideration of FY 2004 budget issues, which were first discussed at the Council retreat held on October 26, 2002, and framed in the City's 2002 Annual Report, and continuing through the adoption of the FY 2004 budget on April 29, 2003, the budget process provides numerous opportunities for citizens to review and comment on the budget and the degree to which it is responsive to the City's needs. In the face of competing demands for access to finite resources, citizen involvement in the formulation of the budget is vital to the ordering of priorities and informed decision making.

FY 2004 Budget Planning

The formative stage of the FY 2004 budget process began with City Council's discussion of the budget outlook for the coming fiscal year, July 1, 2003, through June 30, 2004, at the October 2002 retreat. Staff briefed the City Council on the economy outlook at the national, state and regional levels. At the time of the November retreat, staff cautioned that the City economy was stable, but it had not returned to pre-September 11 levels. Staff also expressed concern for the uncertainties surrounding the economy at all levels. Late in the fall of 2002, most City departments were asked to identify a 3 percent contingency savings plan that would be returned to the General Fund. Expenditure challenges for FY 2004 included personnel expenditure increases for merit increases for City and Schools employees and \$2.7 million for each one percent of a cost of living adjustment for all City and Schools employees. Other expenditure challenges identified at the retreat were an anticipated increase in health insurance premiums and significant demands on the capital budget.

Other Continuing Policy Guidance and Planning

Youth Issues: The Youth Policy Commission, chaired by Mayor Kerry J. Donley, convened in December 1997. This Commission had its origins in previous staff work on a comprehensive study of youth services in the City.

The Commission established three subcommittees to examine youth issues by stages of youth development: prenatal through early childhood (ages 0-5), school age (ages 6-11) and adolescence (ages 12-21). The five areas of Youth Well-Being examined by the subcommittees are Health, Education, Safety, Economic Security, and Recreation. During its first year of work, the Commission adopted goals, outcomes and indicators of success for these five areas.

The focus of the Youth Policy Commission's work for the second year, 1999, was to analyze youth services and funding; select community measures for evaluating the City's progress toward the vision for youth well-being; recommend a coordinated City youth policy; and develop strategies to implement that policy. The Commission established three subcommittees that met from February 1999 to October 1999 to select evaluative measures and conduct analyses along the five categories of youth well-being. After reviewing the subcommittees' findings, the Commission determined that the City's youth services need to target prevention and family building if our youth are to be properly prepared for the future. In sum, the Commission saw prevention and family building as the prism through which City services and funding strategies should be evaluated, and concluded that a coordinated, City-wide approach to serving youth is needed.

On February 12, 2000, the Commission recommended, and City Council adopted, the following vision statement for youth services in the City:

Alexandria is a community where diversity is embraced, and children are born healthy and grow up safe, nurtured, well-educated and prepared for life.

City Council also adopted the following policy statement:

It is the Youth Policy of the City of Alexandria to emphasize prevention, and to target activities that effectively promote positive outcomes for youth and support families through optimal use of existing funds, development of new resources, and engagement of the community.

The Council requested that the City Manager develop a strategy to implement this vision and policy within the City government, as follows:

- conduct an evaluation, using the Youth Policy Commission (YPC) subcommittees' recommendations as a framework, to determine the effectiveness of existing efforts in prevention and family building within City departments;

- optimize the use of existing resources and find new resources to enhance and develop new programs that address YPC recommendations; and
- emphasize outreach to working poor families with a focus on removing cultural and language barriers in the delivery of services.

Any initiatives that require new or reallocated funding would be proposed in the annual budget process, and the Commission will monitor success in achieving goals for youth through an annual Community Report Card.

Debt-Related Financial Policies: The City Council's debt-related financial policies, which guide decision-making throughout the annual operating and capital budget development cycle, are printed in the Appendices section of this document, and the City's Proposed FY 2004 to FY 2009 Capital Improvement Program (CIP) is fully consistent with these policies.

Compensation Philosophy: On May 27, 1997, City Council adopted the City of Alexandria's Compensation Philosophy, which is intended to provide a broad framework to help with the City Council, management, employees and the citizens in order to understand and guide decisions that affect City employee pay. The Compensation Philosophy is printed in the Appendices section of this document. Proposed FY 2004 employee compensation adjustments are recommended based on the guidance provided by the Compensation Philosophy.

Long Range Quality of Life Planning: Several initiatives have recently been established or are still being formulated to address the quality of life of citizens City-wide, including the availability of affordable housing, the preservation of open space, a City-wide assessment of recreation and leisure needs, and a City-wide transportation policy and plan.

The Annual Report and Budget Preparation Process

The City's 2002 Annual Report, which reviewed major past and prospective issues, trends and budget constraints facing City Council in the coming year, provided a framework to help with the development of the FY 2004 Budget.

For the FY 2004 budget process, Departments and agencies submitted detailed operating budget requests to the Office of Management and Budget (OMB) from September through December, in accordance with procedures and guidelines established by the City Manager. OMB and City Manager's Office staff met with departments and agencies during the formative stages of budget development to discuss major issues facing the agencies following years of flat or reduced budgets. Given the fiscal situation the City Manager indicated that only the most critical supplementals would be considered for funding.

The budget requests of City agencies and departments included basic and supplemental requests. Basic requests are requests to finance currently mandated or authorized services within guidelines, or ongoing expenditures. Supplemental requests, which are identified in each department's budget text, are requests to finance the following:

- * personnel expenditures in addition to merits and other costs authorized in the past year;
- * non-personnel expenditures which exceed those required to maintain the currently authorized level and scope of services; and
- * capital outlays for all new equipment and for replacement of equipment with items having substantially greater capabilities than the items being replaced.

After analyzing the budget requests, OMB continued discussions with department and agency heads from November through January to formulate recommendations to the City Manager. In January, the City Manager, the City Manager's staff and OMB met with all departments that were requesting supplemental funding for new positions or initiatives. The City Manager's Proposed FY 2004 Budget reflects the Manager's consideration of these requests in light of revenue limitations and competing expenditure demands. The Manager's top priority initiatives are reflected in the Budget Message.

Consistent with the policy followed in recent years' budget processes, the City's budget calendar provides sufficient time to incorporate consideration of the School Board's Adopted FY 2004 Budget prior to the presentation of the City Manager's Proposed FY 2004 Budget. As a result, the City Manager's Proposed FY 2004 Budget is presented to City Council at the Council's March 11, 2003, legislative meeting.

As presented to City Council, the FY 2004 Proposed budget reflects substantial increased residential assessments, the slower growth in the local economy, a cautiously positive prediction of the economy's future, expected reductions in State aid, and a decrease in the real estate tax rate. The FY 2004 budget maintains current levels of service and includes the following highlights:

- a three cent reduction in the Real Property tax rate from \$1.08 to \$1.05;
- full funding of the Schools' operating budget request; and
- competitive compensation increases for City and Schools employees.

Organization of the Budget Document

In addition to presenting the City's financial plan, the budget document is intended to be a resource and reference guide, providing information on City programs and services. The budget document has been divided into two volumes: one containing the Operating Budget document and the other containing the Capital Improvement Program document.

- * The Operating Budget document groups City operating departments together by general government program areas, using the program categories defined by the Auditor of Public Accounts for the Commonwealth of Virginia (APA) as a guide. This organization is offered to assist the public in gaining an understanding of the total resources provided in a particular program area.

Section I includes the City Manager's Message. Section II summarizes the budget process, provides general budget guidance, and includes a two page summary of the approved funding level changes in the General Fund budget. Section III is the "City Facts and Figures" summary; Section IV provides revenue and expenditure summaries, various charts and schedules that provide overall information on the City's finances, and multi-year revenue and expenditure forecast scenarios. Sections V through IX

present budget information for each department. The major elements in these sections are organizational charts, graphs, goals, program descriptions, performance indicators and measures, and a summary of the budget proposal and supplemental budget requests. These sections also contain statements of estimated expenditures for each City department, classified into three expenditure categories (or expenditure "characters"): Personnel Services, Non-personnel Services and Capital Outlays. In an effort to increase the informational value of each department budget, a breakout of expenditures and staffing by division has been included for each department, where applicable.

Section X is comprised of Appendices, which include the salary schedules and classification structures applicable to the City government, the Alexandria Compensation Philosophy, legislative references and charter provisions relating to the budget, and a "Layperson's Guide to Fund Balance," based on a report prepared by the Council-appointed Budget and Fiscal Affairs Advisory Committee.

Section XI is the Program/Services Index, providing a locator guide to program information in the Operating Budget document.

- * The Capital Improvement Program document describes each capital project that the City plans to undertake over the next six years. This description includes a justification for each project, the priority assigned to the project and the estimated impact of each capital project on the City's budget throughout the six-year period. (Detailed information on individual school capital projects is presented in the Alexandria City Public Schools 2003-2004 Capital Budget, available from the Office of the Assistant Superintendent for Financial and Administrative Services, 2000 North Beauregard Street, Alexandria, Virginia.)

Budget Amendments

During the fiscal year, the approved budget can be amended by either the reappropriation ordinance (generally in December) or the supplemental appropriation ordinances (generally three to four times during the fiscal year). A reappropriation ordinance allows encumbered monies from the previous fiscal year to be recognized in the current fiscal year. These encumbered monies are specifically identified within the previous fiscal year's Comprehensive Annual Financial Report (CAFR). A supplemental appropriation ordinance amends the budget for grant programs to reflect actual revenue received and to make corresponding balancing adjustments in grant program expenditures. A supplemental appropriation also amends the budget for duly docketed City Council items during the fiscal year that increase or reduce the current fiscal year appropriation. A supplemental appropriation ordinance may, therefore, either increase or reduce the City's total budget from the original approved budget appropriation.

The approved budget may also be amended by City Council at the end of the fiscal year via a resolution to transfer appropriations to adjust the various departmental accounts according to projected final expenditure patterns. The transfer of appropriations has no net impact on the aggregate approved budget amount, but rather enables the Council to adjust the budget of a given department for unanticipated expenditures.

Budget transfers within a department may be approved by the City Manager, as discussed in the following section on Budgetary Accounting.

Budgetary Accounting

The City's financial operations are budgeted and accounted for in a number of "funds." A fund is an independent fiscal and separate accounting entity, with a self-balancing set of accounts including revenues and expenditures, assets and liabilities. Separate funds that have been established by the City include the following:

- The General Fund is the primary operating fund of the City. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. A detailed estimate of General Fund balance available for appropriation for general operating expenditures is provided in the Statement of Estimated Undesignated General Fund Balance, in Section IV of this document.

The following table and the descriptive material following the table are intended to respond to the Government Finance Officers Association (GFOA) budget document presentation requirement that a fund balance projection be included for each fund, in addition to the General Fund, established by the City. The other funds, discussed below, include the Special Revenue Fund, Capital Projects Fund, and Internal Services Fund.

Governmental Funds			Proprietary Funds	
	Special Revenue Fund	Capital Projects Fund ⁴		Internal Services Fund (Equipment Replacement Fund)
Beginning Fund Balance 7/1/02 ¹	\$13,822,470	\$87,800,972	Beginning Net Assets 7/1/02	\$17,532,613
Plus FY 2003 Budgeted Revenues ²	\$87,932,315	\$54,678,360	Plus FY 2003 Budgeted Revenues	\$3,885,091
Less FY 2003 Budgeted Expenditures ²	\$87,932,315	\$54,678,360	Less FY 2003 Budgeted Expenses	\$5,435,262
Projected Fund Balance 6/30/03	\$13,822,470	\$87,800,972	Projected Net Assets 6/30/03	\$15,982,442
Plus FY 2004 Budgeted Revenues ³	\$74,231,628	\$86,594,838	Plus FY 2004 Budgeted Revenue	\$4,103,778
Less FY 2004 ³ Budgeted Expenditures	\$74,231,628	\$174,395,810	Less FY 2004 Budgeted Expenses	\$4,376,963
Projected Fund Balance 6/30/04	\$13,822,470	\$0	Projected Net Assets 6/30/04	\$15,709,257

/1 City of Alexandria, Virginia, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2002

/2 City of Alexandria, Virginia, Approved Operating Budget, Fiscal Year 2003

/3 City of Alexandria, Virginia, Projected Operating Budget, Fiscal Year 2004

/4 In all likelihood a large portion of Capital Projects will not be expended in FY 2003 and FY 2004, as many capital projects are multi-year in execution.

- The Special Revenue Fund accounts for resources restricted to expenditures for specified purposes (for example, State and federal grants). As of June 30, 2002, the Special Revenue Fund unreserved fund balance was \$13,822,470. Because monies budgeted within the Special Revenue Fund are generally legally restricted to specific activities or programs, these monies are not considered available for appropriation to meet general expenditure requirements. Unexpended Special Revenue Fund monies are generally due to intergovernmental grant timing differences (e.g., a grant awarded to the City for a program operated under the federal fiscal year of October 1 to September 30), and remaining Special Revenue funds at June 30 are reappropriated for use in the subsequent City fiscal year for the continuation of the designated programs. The total projected Special Revenue Fund fund balance, for GFOA reporting purposes, as of June 30, 2004 is \$13,822,470.
- The Capital Projects Fund accounts for all financial resources used for the acquisition or construction of major capital facilities not being financed by proprietary funds. As of June 30, 2002, the Capital Projects Fund had a total fund balance of \$87,800,972. This funding is dedicated to the completion of approved capital projects, and is therefore not available to meet general expenditure requirements. The total projected Capital Projects Fund fund balance as of June 30, 2004, would be \$0 assuming all budgeted capital projects are initiated and completed. Given implementation issues and plans and their multi-year nature, many of these capital projects will not be completed by June 30, 2004.
- The Internal Services Fund accounts for the financing of goods or services provided by one department to other departments or agencies of the City on a cost-reimbursement basis. The City established the Equipment Replacement Fund for purposes of providing for the accumulation of money to replace capital equipment items used in City operations. This fund derives its revenues from periodic equipment rental charges assessed to the user departments in the governmental funds. These revenues are then used to finance depreciation charges and associated expenditures to replace capital equipment. As of June 30, 2002, the Equipment Replacement Internal Services Fund had Total Net Assets of \$17,532,613. Equipment Replacement monies are accrued for the scheduled replacement of capital equipment, and thus are not available for appropriation to meet general expenditure requirements. The projected Equipment Replacement Fund Total Net Assets, for GFOA reporting purposes, as of June 30, 2003 is \$15,709,257. It should be noted that the bulk of the Net Assets represents the value of equipment (such as refuse collection vehicles and police cars) currently in use within the City government.

All tax revenues and most other revenues -- with the notable exception of State and federal grants -- are budgeted and accounted for in the General Fund. Likewise, all expenditures funded by General Fund revenues are budgeted as direct General Fund expenditures.

This "direct" treatment of expenditures is a concession to a more informative budget presentation. Technically, certain expenditures funded by General Fund revenues -- specifically, grant matches and the City appropriation to the Alexandria City Public Schools -- are accounted for as "transfers out" of the General Fund, "transfers in" to Special Revenue Funds and "expenditures" of Special Revenue Funds. Conceptually, however, these are expenditures of General Fund revenues.

In contrast with the accounting for private enterprises, where the primary focus is the calculation of profits and losses, governmental accounting is directed toward expenditure control and budgetary compliance. The accounting system's budgetary control function is accomplished by incorporating budgetary accounts into fund ledgers and recording appropriations -- expenditure authorizations adopted by City Council. All appropriations are legally controlled at the department level for the General Fund and Special Revenue Funds.

Budgets are prepared for the Capital Projects Funds on a project basis that cover the life of the project. The Internal Service Fund are controlled at the total Net Assets level.

Appropriations are administratively controlled at the "character" level of expenditure -- personnel, non-personnel and capital outlays -- reflected in the budget document. The City Manager may, at any time, transfer any unencumbered appropriation within the budget of an office, department or agency. Transfers of appropriations between expenditure characters within the same department or agency budget must be approved by the City Manager (or his designees, the Finance Director and the Director of the Office of Management and Budget). Budget detail pages, showing the budget at the "sub-object" level are available for inspection during business hours in the Office of Management and Budget.

The City's budget follows the same basis of accounting used in preparation of the City's audited Comprehensive Annual Financial Report (CAFR), which are prepared in accordance with "Generally Accepted Accounting Principles" (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and the Auditor of Public Accounts of the Commonwealth of Virginia (APA). The budgets of the General, Special Revenue and Capital Projects Funds is prepared on the "modified accrual" basis of accounting. Under this method of accounting, revenues are recognized in the period that they become measurable and available. With respect to real and personal property tax revenue and other local taxes, the term "available" is limited to collection within forty-five days of the fiscal year-end. Federal and State reimbursement-type grants are recorded as revenue when related eligible expenditures are incurred. The budget and financial statements of the Proprietary Funds are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

Summary of Changes in the General Fund Budget

For the Fiscal Year ending June 30, 2003 and June 30, 2004

FY 2003 Amended General Fund Budget		373,922,204
<u>Schools</u>		
School Board's requested increase in City General Fund support	4,601,654	
FY 2003 2.5% General Salary Adjustment	<u>2,430,000</u>	
Total Schools		7,031,654
<u>Compensation - Proposed Changes</u>		
FY 2004 2.25% General Salary Adjustment	3,870,000	
Health Insurance Adjustment	1,000,000	
Life Insurance Adjustment	150,000	
Supplemental Retirement Plan Underfunding	500,000	
Employee Transit Subsidy Benefit Increase	40,000	
Merit In-step Increases	<u>3,000,000</u>	
Total Proposed Compensation Changes		8,560,000
<u>Non-Personnel and Base Budget</u>		
Cash Capital Funding for CIP	900,000	
Debt Service	3,560,406	
Net Decrease in General Contingent to \$925,000	-25,000	
Personal Computer Replacement Contingent	-300,000	
Various Base Budget Changes	<u>-229,599</u>	
Total Non-Personnel Changes		3,905,807
<u>Legislative, Executive and General Government</u>		
Council Compensation Policy Changes	86,707	
Salary Adjustment for Clerk of Courts Office	49,094	
Administrative Assistant for Pension Administrator	50,500	
Personal Property Tax Relief Act Compliance Mandate	44,000	
Maintain Current Level of Services at Existing and New City Buildings	166,000	
Additional Vehicle Maintenance of Larger City Fleet	117,500	
Maintenance and Operations of New Truck Wash Facility	41,664	
Part-Time to Full-Time Teen Pregnancy Prevention Coordinator	18,000	
Personnel Analyst - Recruitment Program	<u>64,099</u>	
Total Legislative, Executive and General Government Changes		637,564
<u>Public Safety</u>		
Addition to Rodent Abatement Program	48,000	
Elevator Inspection Program	26,000	
Cellular Digital Packet Data (CDPD) Subscription	30,100	
Lease Costs for Police Department Move	1,126,369	
Police Overtime for Changes in Pay Policy and Essential Functions	129,000	
Maintenance and Depreciation for Mobile Computers	134,634	
Jail Medical Services Contract Costs	260,000	
Sheriff's Training and Inclement Weather Gear	48,901	
Northern Virginia Juvenile Detention Home and Sheltercare	<u>103,062</u>	
Total Public Safety Changes		1,906,066

Health & Welfare

Increased West Nile Virus Prevention Funding	87,645	
Partial Year Cost of New Health Facility Utilities	38,241	
Increased Arlandria Health Clinic (ANHSI) Funding	20,000	
Increased Funding for Community Services Act Residential Care	325,000	
Increased Lease Costs for JobLink	<u>152,000</u>	
Total Health & Welfare		622,886

Community Development

Increase in Alexandria Convention and Visitors Association (ACVA) Funding	53,562	
Special Projects Coordinator in Recreation	101,434	
Additional Tree Well, Planting Bed and King Street Streetscape Maintenance	100,000	
Expanded Operations at Durant Center	42,000	
Increased Staffing at Beatley, Barrett and Technical Services	57,348	
Professional Consultant Resources for Planning and Zoning	50,000	
Additional Park Maintenance	23,189	
Additional Arts Grant Funding	<u>35,000</u>	
Total Community Development		462,533

Public Works

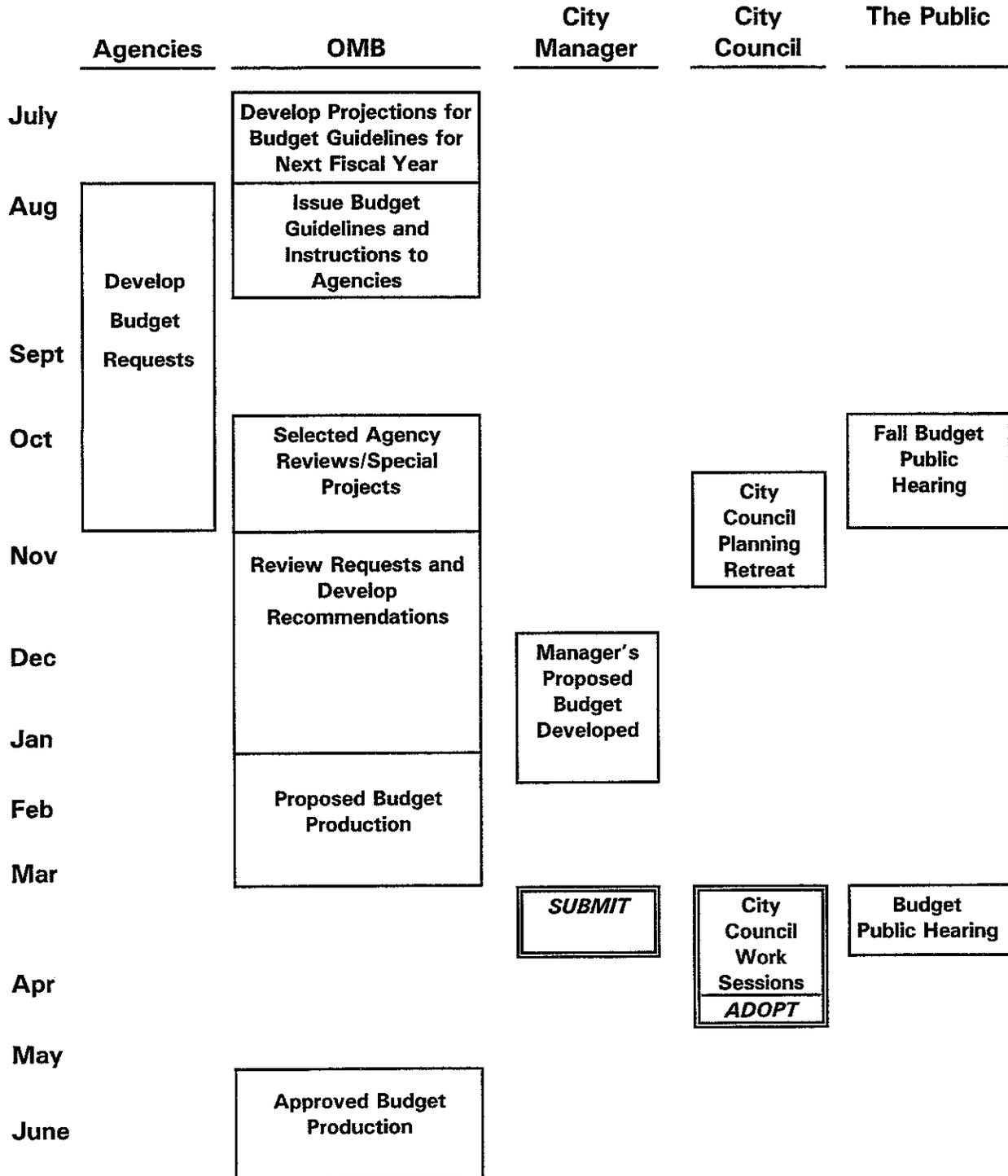
Water Compliance Specialist	150,000	
Towing and Impounding Contract	75,000	
Traffic Studies Position and Software	120,000	
Contribution to Northern Virginia Transportation Authority	25,000	
Increased Transit Subsidies (WMATA, DASH, VRE)	<u>1,204,473</u>	
Total Public Works		<u>1,574,473</u>

Total General Fund Changes **24,700,983**

FY 2004 Proposed General Fund Budget **398,623,187**

City of Alexandria Budget Process

Fiscal Year runs from July 1 to June 30



CITY OF ALEXANDRIA, VIRGINIA FACTS AND FIGURES

CITY GOVERNMENT

Date of Incorporation	1779
Date of City Charter	1922
Form of Government	Council - Manager
Number of Full-Time City Positions (FY 2004 Proposed)	2,300
Number of Full-Time Equivalent School Positions (FY 2004 Approved)	2,074

PHYSIOGRAPHIC

Land Area	
Square Miles	15.75
Acres of Public Parks & Open Space	964
Total Acres of Parks and Open Space per 1,000 Population	7.1

Elevation 30 Feet Above Sea Level

Temperature	
Average January Temperature	34.9°
Average July Temperature	79.2°

Miles of Streets, Sidewalks & Alleys	
Streets:	
Paved - Lane miles	510.5
Unpaved	0.17
Sidewalks	320
Alleys, Paved	20.56

Utilities	
Telephone	Verizon
Electric	Dominion Virginia Power
Gas	Washington Gas
Water	Virginia-American Water Company
Sewer	Alexandria Sanitation Authority
Cable	Comcast

ECONOMIC INDICATORS

Persons Employed on Alexandria Job Sites*	
4 th Quarter Average 2001	91,183
4 th Quarter Average 2000	94,195
4 th Quarter Average 1999	90,093

*Includes workers covered by State unemployment insurance.

ECONOMIC INDICATORS, continued

Largest Private Employers (July 2002)	
INOVA Alexandria Hospital	1,750
Institute for Defense Analysis	900
Boat Owner's Association of the U.S.	600
Center for Naval Analysis	600

Largest Public Employers (July 2002)	
U.S. Department of Defense	
Civilian	4,624
Military	3,478
City of Alexandria	2,243
Alexandria Public Schools	2,091
WMATA (Metro)	1,162
Northern Virginia Community College	952
U.S. Department of Agriculture	659
U.S. Postal Service - Alexandria	414

Alexandria Employment			
	<u>4th Qtr '00</u>	<u>4th Qtr '01</u>	<u>% Change</u>
Construction	2,954	3,485	+18.0
Manufacturing	2,053	1,814	-11.6
Transportation, Communications, Utilities	4,194	3,875	-7.6
Trade	18,248	17,445	-4.4
Finance, Insurance, Real Estate	6,013	5,972	-0.7
Services	44,094	41,222	-6.5
Government	16,057	16,816	4.7
Agriculture & Mining Related	582	465	-20.1

Unemployment Rate 12/01 12/02 % Change			
Alexandria	3.9%	2.8%	-28.2
Virginia	4.2%	3.6%	-14.3
U.S.	5.4%	5.7%	+5.6

Retail Sales (in thousands)			
	<u>3rd Qtr '01</u>	<u>3rd Qtr '02</u>	<u>% Change</u>
Alexandria	\$488,985	\$542,447	+10.9
Virginia	\$17,085,694	\$17,490,471	+2.4

Tourism			
	<u>09/01</u>	<u>09/02</u>	<u>% Change</u>
Number of Hotel/Motel Rooms	4,055	4,055	0
Occupancy Rate	54.8%	66.8%	+21.9
Average Daily Rate	\$96.32	\$104.10	+8.1

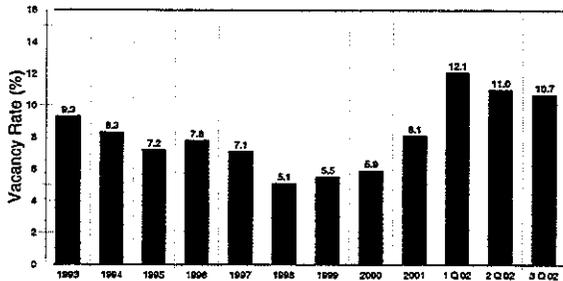
CITY OF ALEXANDRIA, VIRGINIA FACTS AND FIGURES

ECONOMIC INDICATORS, continued

Office Vacancy Rate

	<u>3rd Qtr '01</u>	<u>3rd Qtr '02</u>	<u>% Change</u>
Alexandria	8.6%	10.7%	+ 24.4

**Commercial Property
Vacancy Rates CY 1993 - 2002**



Taxes

Real Property Tax Rate

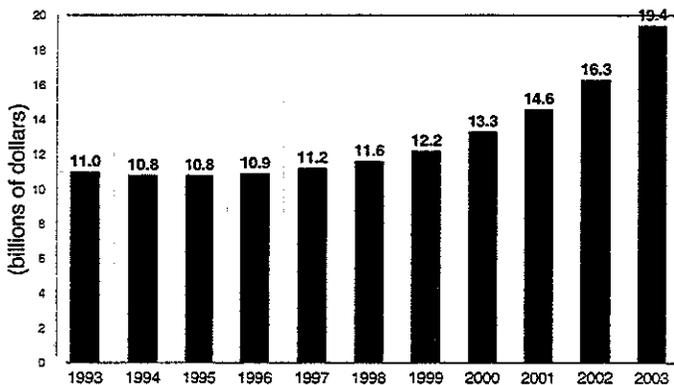
FY 2004 (Proposed) \$1.05 per \$100 assessed value
 FY 2003 (Approved) \$1.08 per \$100 assessed value

Personal Property Tax Rate

FY 2004 (Proposed) \$4.75 per \$100 assessed value
 FY 2003 (Approved) \$4.75 per \$100 assessed value

FY 2004 Value of one-cent per calendar year on the Real Property Tax Rate Approx. \$1.94 million

**Total Assessed Value of Real Property
Calendar Year 1993 - 2003**



ECONOMIC INDICATORS, continued

City Finances

Bond Ratings	
Moody's Investors Service, Inc.	Aaa
Standard & Poor's	AAA

Budgets

FY'04 Total Operating Budget	\$479,205,199
General Fund Budget	\$398,623,187
Special Revenue Fund*	\$74,231,628
Other Funds and Financing	
Sources	\$6,350,384

*Includes federal and State Grants, and Other Charges and Donations.

DEMOGRAPHICS

Population

FY 2004 (estimate)	135,600
2000 U.S. Census	128,283
1990 U.S. Census	111,183

Households

2002 Estimate	64,422
2000 U.S. Census	61,889
1990 U.S. Census	53,280

Average Household Size

2000 U.S. Census	2.04 persons
1990 U.S. Census	2.04 persons

Age (2000 Population)

(1-19)	23,376
(20-34)	42,490
(35-64)	50,812
(65 +)	11,605

Race and Ethnicity

Race and Ethnicity	(2000 Census)
White (Non-Hispanic)	53.7%
African American	22.2%
Hispanic (all races)	14.7%
Asian & Pacific Islander	5.7%
Other and Multiple Races	3.5%
American Indian & Alaskan Native	0.2%
Total*	100%

* Percentage column does not sum to the total shown due to rounding.

CITY OF ALEXANDRIA, VIRGINIA FACTS AND FIGURES

DEMOGRAPHICS, continued

Median Household Income - 2001 Estimate	
Alexandria	\$74,091
Northern Virginia	\$90,129
Virginia	\$51,305
2000 U.S. Census - Alexandria	\$56,054

Per Capita Income	
2004 - Alexandria (Estimate)	\$60,040
2000 - Alexandria	\$49,395
Washington Region*	\$40,046
Virginia	\$31,120
U.S.	\$29,469
1990 - Alexandria	\$31,725

* Washington Region = DC, MD, VA, WV (PMSA)

Median Family Income	
2001 Estimate - Alexandria	\$82,781
Virginia	\$53,655

Registered Voters	
December 31, 2002	73,082
December 31, 2001	77,012
December 31, 1990	57,614

Source: City of Alexandria Approved Budget Documents

Housing	
Housing Units - June, 2002	
Single-family Homes	21,344
Condominiums*	14,556
Rental apartments (est.)	31,439
Total	67,339

* Townhouse condos are counted as single-family homes.

Housing Units by Occupancy		
	Owner	Renter
2000 U.S. Census	40%	60%

Average Assessed Value (2003)	
All Residential Units	\$308,876
Single-family Homes	\$409,613
Condominiums*	\$177,079

* Townhouse condos are counted as single-family homes.

DEMOGRAPHICS, continued

Average Market Rents		<u>2002</u>	<u>2001</u>
Efficiency		\$794	\$782
1 Bedroom Apartment		1,105	933
2 Bedroom Apartment		1,276	1,176
3 Bedroom Apartment		1,430	1,341

Median Assessed Value of Homes and Condominiums (2003)

<u>Assessed Value</u>	<u>Units</u>	<u>Total Value</u>	<u>Median</u>
Less than \$100,000	3,361	\$267,723,900	\$80,500
\$100,000-\$149,999	4,839	\$617,000,800	\$131,100
\$150,000-\$199,999	4,536	\$782,703,500	\$173,600
\$200,000-\$249,999	4,263	\$953,899,400	\$222,000
\$250,000 and over	19,099	\$8,522,888,500	\$380,300

Source: Real Estate Assessor

EDUCATION

Public School Membership	
September, 2003 (Estimate)	10,927
September, 2002	10,979
September, 2001	11,104
September, 1990	9,488

Student Profile	9/02 Membership	Percent
African American	4,853	44.2
Hispanic	2,920	26.6
White	2,470	22.5
Asian/Pacific Islander	703	6.4
American Indian/ Alaskan Native	<u>33</u>	<u>0.3</u>
Total	10,979	100%

Budget	
FY 2004 Total Schools Budget	\$157,697,703
Expenditures per Pupil Enrolled*	\$14,432

* Includes only Operating Costs.

Source: Education information provided by the Alexandria City Public Schools FY 2004 Approved Budget.



FY 2004 Operating Budget Summary Tables

Statement of Total Revenues for Operating Funds

	Budgeted FY 2003	Projected FY 2003	Proposed FY 2004
General Fund			
Total General Property Tax Revenues	\$208,856,000	\$215,781,000	\$235,951,000
Total Other Local Tax Revenues	84,118,000	84,963,000	88,113,000
Total Non-tax Revenues	<u>70,660,100</u>	<u>67,488,400</u>	<u>67,975,586</u>
Total General Fund Revenues	\$363,634,100	\$368,232,400	\$392,039,586
Special Revenue Fund/1			
State Aid	38,508,335	37,445,188	34,902,750
Federal Aid	27,007,189	41,302,166	30,090,932
Charges, Donations and Other	<u>8,910,088</u>	<u>9,184,961</u>	<u>9,237,946</u>
Total Special Revenues	\$74,425,612	\$87,932,315	\$74,231,628
Internal Services Fund/2	\$5,435,262	\$5,435,262	\$4,376,963
Total Special Revenue Funds	<u>\$79,860,874</u>	<u>\$93,367,577</u>	<u>\$78,608,591</u>
Total Revenues	<u>\$443,494,974</u>	<u>\$461,599,977</u>	<u>\$470,648,177</u>
Other Sources			
Component Unit (Schools) Fund Balance	568,041	718,041	1,973,421
City General Fund Balance	9,816,624	9,816,624	6,000,000
Recycling Fund Balance	<u>471,480</u>	<u>310,000</u>	<u>583,601</u>
Total City and Schools	<u>\$10,856,145</u>	<u>\$10,844,665</u>	<u>\$8,557,022</u>
All Funds Revenues and Other Sources	<u>\$454,351,119</u>	<u>\$472,444,642</u>	<u>\$479,205,199</u>

/1 The Special Revenue Fund accounts for federal, State and other grant revenue that is restricted to a specific program.

/2 The Equipment Replacement Internal Services Fund accounts for revenues (equipment rental charges assessed to user departments as part of departmental operating budgets), depreciation charges and associated expenditures to replace vehicles and capital equipment. Equipment replacement monies are accrued for scheduled replacement of vehicles and capital equipment and are not available for appropriation to meet general expenditure requirements.

Statement of Total Expenditures for Operating Funds

	Amended FY 2003/1	Proposed FY 2004	Percentage Change (Amended to Approved)
General Fund			
City Total Operating Expenditures/1	\$226,653,430	\$239,862,353	5.8%
City Appropriation to the Schools	115,329,680	122,361,334	6.1%
Capital Projects			
Debt service	17,739,094	21,299,500	20.1%
Capital Projects	14,200,000	15,100,000	6.3%
Total General Fund Budget	<u>\$373,922,204</u>	<u>\$398,623,187</u>	6.6%
Special Revenue Fund/2	\$88,650,356	\$76,205,049	(14.0%)
Internal Services Fund/3	\$5,435,262	\$4,376,963	(19.5%)
Community Recycling Enterprise Fund/4	<u>\$ 0</u>	<u>\$ 0</u>	
Total Other Funds Budget	<u>\$94,085,618</u>	<u>\$80,582,012</u>	(14.4%)
Total City and Schools All Funds Operating Budget	<u>\$468,007,822</u>	<u>\$479,205,199</u>	2.4%

- /1 The FY 2003 General Fund budget reflects an additional \$750,980 in expenditures associated with incorporating the Recycling Fund into the General Fund and a corresponding reduction in the Community Recycling Enterprise Fund.
- /2 The Special Revenue Fund accounts for federal, State and other grant revenue that is restricted to a specific program. Also, included in this category are expenditures supported by the Schools' appropriation of fund balance of \$718,041 in FY 2003 and \$1,592,324 in General Fund Balance and \$381,097 in School Lunch Fund Balance in FY 2004.
- /3 The Equipment Replacement Internal Services Fund accounts for revenues (equipment rental charges assessed to user departments as part of departmental operating budgets), depreciation charges and associated expenditures to replace vehicles and capital equipment. Equipment replacement monies are accrued for the scheduled replacement of vehicles and capital equipment and are not available for appropriation to meet general expenditure requirements.
- /4 The Community Recycling Enterprise Fund and all expenditures and revenues related to this program were moved to the Transportation and Environmental Services Department in the General Fund.

Statement of Total Sources and Uses for Operating and Capital Funds

	Amended FY 2003	Proposed FY 2004
Sources		
Total General Fund Revenues	\$368,232,400	\$392,039,586
Total Special Revenue Fund Revenues	\$87,932,315	\$74,231,628
Internal Services Fund Revenues	\$5,435,262	\$4,376,963
Recycling Fund Revenues	\$0	\$0
City Appropriation to the General Fund from its Fund Balance	\$10,126,624	\$6,583,601
Schools Appropriation to the Schools Operating Fund and the School Lunch Fund from its fund balances	\$718,041	\$1,973,421
General Obligation Bond Proceeds	24,242,263	64,700,000
Fund Balance Designation	15,600,000	4,200,000
Bond Interest Earnings	636,097	994,838
Sewer Fees and Other Sources	<u> --</u>	<u>1,600,000</u>
Total Sources	<u>\$512,923,002</u>	<u>\$550,700,037</u>
Uses		
Operating		
Legislative and Executive	3,928,755	4,142,332
Courts and Constitutional Officers	30,466,488	30,465,802
General Government	59,548,240	64,991,770
Operating Agencies/1	209,250,131	206,794,534
Education/2	150,614,208	157,710,761
Cash Capital transfer to CIP	<u>14,200,000</u>	<u>15,100,000</u>
Total Operating	\$468,007,822	\$479,205,199
Capital Improvement Program for FY 2004	54,678,360	86,594,838
Less Cash Capital transfer to CIP	<u>(14,200,000)</u>	<u>(15,100,000)</u>
Net Capital Improvement Program	<u>\$40,478,360</u>	<u>\$71,494,838</u>
Total All Funds Operating and Capital Uses	<u>\$508,486,182</u>	<u>\$550,700,037</u>

1/ The Libraries are considered a component unit and are partially funded by a transfer from the City's General Fund operating budget. The transfer out to the Libraries was \$5,295,730 in FY 2003 and \$5,369,886 in FY 2004.

/2 The Alexandria City Public Schools are a component unit and are partially funded by a transfer from the City's General Fund operating budget. The transfer out from the General Fund to the School system was \$115,329,680 in FY 2003 and \$122,361,334 in FY 2004.



Share of FY 2004 Proposed Budget by Department/1

Department	Proposed General Fund Expenditures	As a Percent of General Fund	Proposed General & Special Revenue Fund Expenditures	As a Percent of Total Expenditures
Schools	\$122,361,334	30.7%	\$157,697,703	32.9%
Police	39,334,990	9.9%	41,125,879	8.6%
Fire	27,395,203	6.9%	28,585,855	6.0%
Transportation and Environmental Services	21,803,386	5.5%	22,987,606	4.8%
Sheriff	18,143,060	4.6%	19,479,478	4.1%
Human Services	16,298,674	4.1%	40,241,741	8.4%
Recreation, Parks and Cultural Activities	15,442,110	3.9%	15,684,228	3.3%
Capital Projects (cash capital)	15,100,000	3.8%	15,100,000	3.2%
Mental Health, Mental Retardation, and Substance Abuse	11,597,394	2.9%	22,332,010	4.7%
Transit Subsidies	9,667,451	2.4%	9,667,451	2.0%
General Services	9,523,601	2.4%	9,637,601	2.0%
Finance	7,269,249	1.8%	7,327,774	1.5%
Health	6,953,321	1.7%	6,975,321	1.5%
Information Technology Services	6,024,304	1.5%	6,789,304	1.4%
Library	5,369,886	1.4%	5,740,028	1.2%
Other Public Safety and Justice Activities	3,684,287	0.9%	3,882,620	0.8%
Planning and Zoning	3,161,758	0.8%	3,161,758	0.7%
Other Planning Activities	2,248,399	0.6%	2,248,399	0.5%
Personnel Services	2,239,679	0.6%	2,245,679	0.5%
Historic Alexandria	2,172,422	0.5%	2,410,817	0.5%
Commonwealth's Attorney	2,160,767	0.5%	2,551,533	0.5%
City Manager	1,821,240	0.5%	1,821,240	0.4%
City Attorney	1,438,956	0.4%	1,438,956	0.3%
Housing	1,358,343	0.3%	3,422,089	0.7%
Clerk of Courts	1,320,553	0.3%	1,320,553	0.3%
18th Circuit Court	1,157,538	0.3%	1,157,538	0.2%
Office on Women	1,059,502	0.3%	1,457,288	0.3%
Human Services - Children's Fund	1,003,632	0.3%	1,003,632	0.2%
Real Estate Assessments	994,402	0.3%	994,402	0.2%
Management and Budget	930,783	0.2%	930,783	0.2%
Registrar of Voters	886,874	0.2%	886,874	0.2%
Court Service Unit	825,547	0.2%	939,117	0.2%
Human Services - Community Partnership Fund	719,600	0.2%	719,600	0.2%
Citizen Assistance	562,656	0.1%	568,056	0.1%
City Council	542,415	0.1%	542,415	0.1%
Human Rights	431,704	0.1%	456,704	0.1%
City Clerk and Clerk of Council	339,721	0.1%	339,721	0.1%
Youth Fund	255,900	0.1%	255,900	0.1%
Other Recreation Activities	232,220	0.1%	232,220	0.1%
Internal Audit	181,413	0.1%	181,413	0.0%
18th General District Court	85,493	0.0%	85,493	0.0%
Law Library	73,648	0.0%	128,648	0.0%
Juvenile and Domestic Relations Court	33,948	0.0%	33,948	0.0%
Other Educational Activities	13,058	0.0%	13,058	0.0%
Subtotal Agencies and Departments/2	\$364,220,421	91.4%	\$444,802,433	92.8%

/1 Please note: The proposed FY 2004 budgets for individual City departments do not include funding for the proposed 2.25 percent cost of living adjustment. Funding for the proposed compensation adjustments is budgeted in the non-departmental account and will be transferred to individual agency budgets pending Council approval in May.

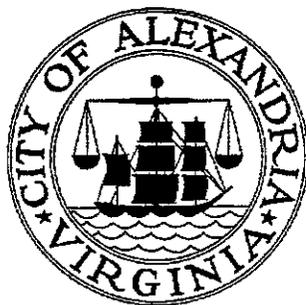
/2 Percentage columns may not sum to the subtotals shown due to rounding.

Share of FY 2004 Proposed Budget by Department/1

Department	Proposed General Fund Expenditures	As a Percent of General Fund	Proposed General and Special Revenue Fund Expenditures	As a Percent of Total Expenditures
Other Expenditures				
Insurance, City Memberships, Tax Rebates and Other	\$12,178,266	3.1%	\$12,178,266	2.5%
General Debt Service	21,299,500	5.3%	21,299,500	4.4%
Contingent Reserves	925,000	0.2%	925,000	0.2%
Subtotal Other Expenditures/2	\$34,402,766	8.6%	\$34,402,766	7.2%
GRAND TOTAL	\$398,623,187	100.0%	\$479,205,199	100.0%

/1 Please note: The proposed FY 2004 budgets for individual City departments do not include funding for the proposed 2.25 percent cost of living adjustment. Funding for the proposed compensation adjustments is budgeted in the non-departmental account and will be transferred to individual agency budgets pending Council approval in May.

/2 Percentage columns may not sum to the subtotals shown due to rounding.



Expenditure Summary

DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	CLASSIFICATION	ACTUAL FY 2002/1 (1)	AMENDED FY 2003/2 (2)	
<u>LEGISLATIVE & EXECUTIVE</u>				
City Council	414,865	455,708	542,415	542,415
City Manager/3	1,551,792	1,735,954	1,821,240	1,821,240
City Attorney	1,688,804	1,402,831	1,438,956	1,438,956
City Clerk	322,341	334,262	339,721	339,721
TOTAL - LEGISLATIVE & EXECUTIVE	3,977,802	3,928,755	4,142,332	4,142,332

/1 The FY 2002 Actual expenditures reflect the information reported in the FY 2002 Comprehensive Annual Financial Report.

/2 The FY 2003 Amended budget(all department/agency classifications) has been restated to reflect the transfer of the Affirmative Action Officer from the City Manager's Office to the Human Rights Office; the transfer of the Pension Administrator position from the Personnel Department to the Finance Department; the transfer of \$771,866 that was budgeted in the non-departmental account to the Juvenile and Domestic Relations Court, Other Public Safety and Justice Activities, Mental Health/Mental Retardation and Substance Abuse, and Human Services, to replace reduced or eliminated State revenue; the transfer of \$100,000 from a non-departmental account to the Youth Fund; and the transfer of the \$25,000 Alternative Community Service contract from a non-departmental account to Other Public Safety and Justice Activities. The FY 2003 budget has also been restated to reflect the discontinuation of the Community Recycling Enterprise Fund and the transfer of Recycling program expenditures in the amount of \$750,980 to the General Fund. For details on this changes and for other supplemental appropriations and transfer details (Contingent Reserves and Inter-departmental transfers), refer to the summary for each department.

Also reflected in the departmental summaries for All Funds is the receipt of the federal Local Emergency Preparedness Grant (Byrne Grant), which was awarded (\$8 million) to the City in July 2002 to assist the City in preventing and preparing for any future terrorist incidents and was distributed as Special Revenue among the Police and Fire Departments (\$2.35 million each), the Office of the Sheriff (\$0.7 million) and the Non-Departmental Account (\$2.6 million). Also reflected as non-General Fund Special Revenue are the 9-11 Emergency Grant, which was awarded (\$1,974,774) to the Department of Human Services; and the \$2 million Cooperative Agreement Program (CAP) grant awarded to the General Services Department for the perimeter security capital project at the Public Safety Center.

/3 The FY 2003 amended budget reflects the transfer of the Affirmative Action Officer position from the City Manager's Office to the Human Rights Office and the transfer of a position from the Office of Management and Budget for the Organization Development Coordinator.

Expenditure Summary

CLASSIFICATION DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	ACTUAL FY 2002 (1)	AMENDED FY 2003 (2)	PROPOSED FY 2004 (3)	
<u>COURTS & CONSTITUTIONAL OFFICERS</u>				
18 th Circuit Court	1,002,435	1,162,007	1,157,538	1,157,538
Court Service Unit/1	558,199	731,089	825,547	939,117
Juvenile & Domestic Relations Court	44,064	33,948	33,948	33,948
18 th General District Court	77,155	85,493	85,493	85,493
Clerk of Courts	1,339,186	1,306,510	1,320,553	1,320,553
Commonwealth's Attorney/2	1,898,014	2,118,982	2,160,767	2,551,533
Law Library	61,592	64,865	73,648	128,648
Registrar of Voters	750,724	887,928	886,874	886,874
Other Public Safety & Justice Activities/3	2,983,209	3,561,614	3,684,287	3,882,620
Office of Sheriff/4	16,662,127	17,609,242	18,143,060	19,479,478
TOTAL - COURTS & CONSTITUTIONAL OFFICERS	<u>25,376,705</u>	<u>27,561,678</u>	<u>28,371,715</u>	<u>30,465,802</u>

- /1 The FY 2003 amended budget has been restated to reflect the transfer of \$134,117 from City replacement funding for reduced or eliminated State revenue in the non-departmental account.
- /2 The FY 2004 proposed budget includes \$49,094 to provide a salary supplement to employees in the Clerk's office who have not received a salary increase from the Commonwealth since December 2000.
- /3 The FY 2003 amended budget has been restated to reflect the transfer of \$166,371 from City replacement funding for lost State revenue in the non-departmental account to Northern Virginia Juvenile Detention Home, and \$134,117 transferred to Sheltercare (also City replacement funding). The FY 2003 budget is also amended to include the budget of the Alternative Community Service contract with the Alexandria Volunteer Bureau (\$25,000) that had previously been budgeted and paid for out of the non-departmental account.
- /4 The FY 2004 proposed budget includes \$19,901 in recommended supplemental funding for additional training for accreditation standards and \$29,000 for inclement weather gear.

Expenditure Summary

CLASSIFICATION DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	ACTUAL FY 2002 (1)	AMENDED FY 2003 (2)	PROPOSED FY 2004 (3)	
<u>GENERAL GOVERNMENT</u>				
Citizen Assistance	553,555	538,718	562,656	568,056
Finance/1	6,933,150	7,117,172	7,269,249	7,327,774
Internal Audit	156,719	197,963	181,413	181,413
General Services/2	9,089,092	9,013,490	9,523,601	9,637,601
Office on Women/3	857,900	1,009,385	1,059,502	1,457,288
Human Rights Office /4	277,405	429,996	431,704	456,704
Management and Budget	644,124	913,849	930,783	930,783
Information Technology Services	<u>6,165,801</u>	<u>5,971,390</u>	<u>6,024,304</u>	<u>6,789,304</u>
SUBTOTAL - GENERAL GOVERNMENT	<u>24,677,746</u>	<u>25,191,963</u>	<u>25,983,212</u>	<u>27,348,923</u>

- /1 The FY 2004 proposed budget includes recommended supplemental funding to provide an Administrative Assistant to the new Pension Administrator position that was established in FY 2003 (\$50,500) and \$44,000 for increased Personal Property Tax Relief Act compliance requirements. The FY 2003 budget has been restated to reflect the transfer of the estimated budget for the new Pension Administrator position (\$80,000) from the Personnel Department.
- /2 The FY2004 proposed budget includes recommended supplemental funding to maintain the current level of building maintenance services (\$166,000), to increase the level of service provided to an increased vehicle fleet (\$117,500) and \$41,664 for the maintenance and operation of a truck washing facility. The FY 2003 budget has been restated to reflect the receipt of the \$2 million Cooperative Agreement Program (CAP) Grant awarded to the City for the perimeter security capital project at the Public Safety Center.
- /3 FY 2004 includes recommended supplemental funding (\$18,000) to expand the hours of the Teen Pregnancy Prevention Coordinator to full time.
- /4 The FY 2003 budget has been restated to reflect the transfer of the Affirmative Action Officer position from the City Manager's Office to the Office of Human Rights. The Human Rights Office budget was increased by \$77,785 for personnel costs and \$10,286 for non-personnel and leased space costs.

Expenditure Summary

CLASSIFICATION DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	ACTUAL FY 2002 (1)	AMENDED FY 2003 (2)	PROPOSED FY 2004 (3)	
<u>GENERAL GOVERNMENT</u>				
Non-Departmental				
General Debt Service	16,015,995	17,739,094	21,299,500	21,299,500
Insurance, City Memberships, Tax Rebates and Other/1	7,154,193	6,701,473	12,178,266	12,178,266
Contingent Reserves	0	950,000	925,000	925,000
Personnel Services/2	1,996,654	2,141,865	2,239,679	2,245,679
Real Estate Assessments	905,087	980,950	994,402	994,402
SUBTOTAL - GENERAL GOVERNMENT	<u>26,071,929</u>	<u>28,513,382</u>	<u>37,636,847</u>	<u>37,642,847</u>
TOTAL - GENERAL GOVERNMENT	<u>50,749,675</u>	<u>53,705,345</u>	<u>63,620,059</u>	<u>64,991,770</u>

- /1 The FY 2003 amended budget has been restated to reflect the transfer of \$771,866 in General Fund money, designated in the non-departmental budget, to offset reduced or eliminated State revenue to the Juvenile and Domestic Relations Court Service Unit, Other Public Safety and Justice Activities, and the Departments of Mental Health/Mental Retardation/Substance Abuse and Human Services; \$100,000 to the Youth Fund; and \$25,000 to move the Alternative Community Service contract from a non-departmental account to Other Public Safety and Justice Activities.
- /2 FY 2004 includes recommend supplemental funding for a Personnel Analyst in the Employment Division (\$64,099). The FY 2003 budget has been restated to reflect the transfer of the Pension Administrator position (\$80,000) to the Finance Department.

Expenditure Summary

CLASSIFICATION DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	ACTUAL FY 2002 (1)	AMENDED FY 2003 (2)	PROPOSED FY 2004 (3)	
<u>OPERATING AGENCIES</u>				
Fire/1	25,395,735	26,746,272	27,395,203	28,585,855
Police/2	35,637,353	37,845,011	39,334,990	41,125,879
Health/3	6,484,143	6,926,459	6,953,321	6,975,321
Human Services/4	16,403,677	15,579,909	16,298,674	40,241,741
Children's Fund	967,706	1,003,632	1,003,632	1,003,632
Community Partnership Fund for Human Services/5	875,500	875,500	719,600	719,600
Youth Fund/5	100,000	100,000	255,900	255,900
SUBTOTAL - OPERATING AGENCIES	<u><u>85,864,114</u></u>	<u><u>89,076,783</u></u>	<u><u>91,961,320</u></u>	<u><u>118,907,928</u></u>

- /1 The FY 2004 proposed budget includes recommended supplemental funding for the expansion of the rodent abatement program (\$48,000), an increase in the cost of the third party contract for inspections of new and existing elevators (\$26,000), and Cellular Digital Package Data (CDPD) service to obtain and exchange information (\$30,100).
- /2 The FY 2004 proposed budget includes recommended supplemental funding for overtime (\$129,000) and \$134,634 for mobile computer maintenance and to begin to establish a depreciation fund to replace the units.
- /3 The FY 2004 proposed budget includes \$20,000 in recommended supplemental funding to provide additional funding for the Arlandria Clinic.
- /4 The FY 2003 budget has been restated to reflect the transfer of \$83,447 of City replacement funding of reduced or eliminated State revenue, from a non-departmental account, for the Delinquency Prevention Grant.
- /5 The FY 2004 proposed General Fund budget for the Community Partnership Fund reflects a decrease of \$155,900 from the FY 2003 approved General Fund budget. This decrease will accommodate removing the priority "Activities and programs to provide positive educational, social and recreational alternatives for middle school youth and teens" from the Community Partnership Fund and the subsequent transfer of \$155,900 from the Community Partnership Fund to the Youth Fund to eliminate potential overlap of the functions of these two funds.

Expenditure Summary

CLASSIFICATION DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	ACTUAL FY 2002 (1)	AMENDED FY 2003 (2)	PROPOSED FY 2004 (3)	
<u>OPERATING AGENCIES</u>				
Housing	802,879	1,335,933	1,358,343	3,422,089
Planning and Zoning	3,072,870	3,068,776	3,161,758	3,161,758
Other Planning and Economic Development Activities/1	2,031,593	2,169,245	2,248,399	2,248,399
Historic Alexandria	2,066,169	2,145,583	2,172,422	2,410,817
Mental Health, Mental Retardation and Substance Abuse/2	<u>9,546,087</u>	<u>11,239,157</u>	<u>11,597,394</u>	<u>22,332,010</u>
SUBTOTAL - OPERATING AGENCIES	<u><u>17,519,598</u></u>	<u><u>19,958,694</u></u>	<u><u>20,538,316</u></u>	<u><u>33,575,073</u></u>

- /1 The FY 2004 proposed budget includes \$53,562 in recommended supplemental funding to increase support of the Alexandria Convention and Visitors Association.
- /2 The FY 2003 amended budget has been restated to reflect the transfer of \$253,813 from City replacement funding for reduced or eliminated State revenue in the non-departmental account.

Expenditure Summary

CLASSIFICATION DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	ACTUAL FY 2002 (1)	AMENDED FY 2003 (2)	PROPOSED FY 2004 (3)	
<u>OPERATING AGENCIES</u>				
Recreation, Parks and Cultural Activities/1	14,097,640	14,822,169	15,442,110	15,684,228
Other Recreation Activities	196,877	222,433	232,220	232,220
Library/2	4,798,030	5,295,730	5,369,886	5,740,028
Transit Subsidies	6,898,495	8,462,978	9,667,451	9,667,451
Transportation and Environmental Services/3	<u>20,645,673</u>	<u>21,344,713</u>	<u>21,803,386</u>	<u>22,987,606</u>
SUBTOTAL - OPERATING AGENCIES	<u>46,636,715</u>	<u>50,148,023</u>	<u>52,515,053</u>	<u>54,311,533</u>
TOTAL - OPERATING AGENCIES	<u>150,020,427</u>	<u>159,183,500</u>	<u>165,014,689</u>	<u>206,794,534</u>

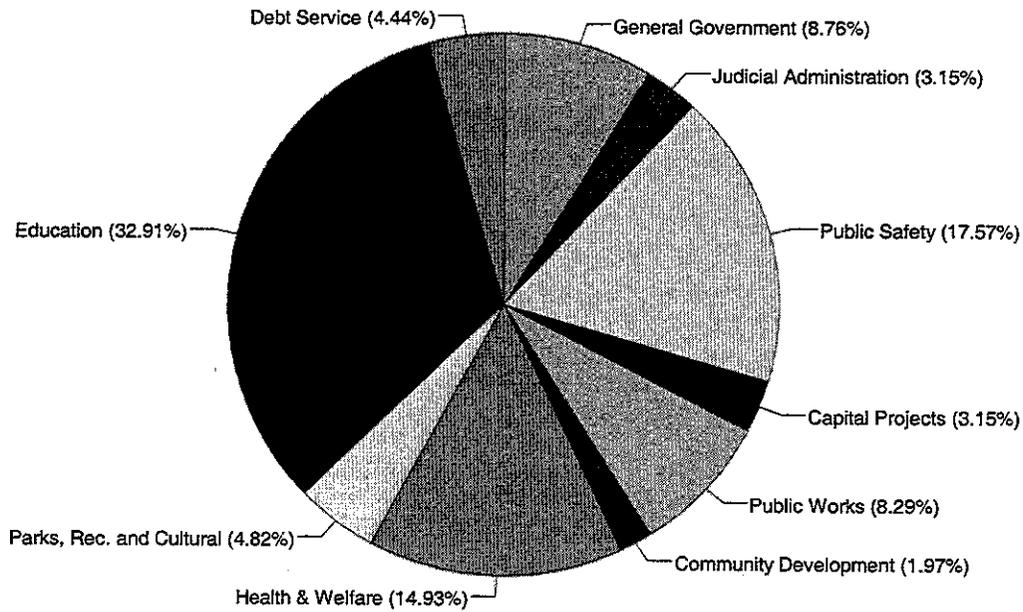
- /1 The FY 2004 budget includes \$42,000 in recommended supplemental funding to expand operations at the Oswald Durant Center, which is expected to reopen during FY 2004 and \$100,000 to increase landscaping maintenance throughout the City, with \$50,000 allocated to King Street.
- /2 The FY 2004 budget includes recommended supplemental funding to increase the hours of two Library Assistant positions in the Acquisition section of the Technical Service Division (\$15,460) and \$41,888 to fund additional hours for Page positions at Beatley and Barrett Libraries.
- /2 The FY 2004 budget includes recommended supplemental funding for a Water Compliance Specialist (\$150,000), \$75,000 to fund an increase in the cost of towing, \$120,000 to fund a position and software to perform traffic studies, and \$40,000 to increase the transit benefit for City employees and to extend it to part-time City employees. The FY 2003 budget has been restated to reflect the discontinuation of the Community Recycling Enterprise Fund and the transfer of Recycling program expenditures in the amount of \$750,980 to the General Fund.

Expenditure Summary

CLASSIFICATION DEPARTMENT/AGENCY	-----GENERAL FUND-----			PROPOSED TOTAL GENERAL FUND AND OTHER SOURCES (4)
	ACTUAL FY 2002 (1)	AMENDED FY 2003 (2)	PROPOSED FY 2004 (3)	
<u>EDUCATION</u>				
Schools/1	107,269,189	115,329,680	122,361,334	157,697,703
Other Educational Activities	<u>12,923</u>	<u>13,246</u>	<u>13,058</u>	<u>13,058</u>
TOTAL - EDUCATION	<u><u>107,282,112</u></u>	<u><u>115,342,926</u></u>	<u><u>122,374,392</u></u>	<u><u>157,710,761</u></u>
 <u>CAPITAL IMPROVEMENTS</u>				
Capital Projects (Cash Capital)	<u>19,920,000</u>	<u>14,200,000</u>	<u>15,100,000</u>	<u>15,100,000</u>
TOTAL - CASH CAPITAL	<u><u>19,920,000</u></u>	<u><u>14,200,000</u></u>	<u><u>15,100,000</u></u>	<u><u>15,100,000</u></u>
 GRAND TOTAL	 <u><u>357,326,721</u></u>	 <u><u>373,922,204</u></u>	 <u><u>398,623,187</u></u>	 <u><u>479,205,199</u></u>

/1 The FY 2004 proposed General Fund appropriation to the Schools includes \$2.43 million for compensation increases equal to those proposed for City employees. The FY 2004 proposed total all sources figure includes an appropriation of \$1,592,324 from the ACPS Component Unit fund balance as proposed by the School Board.

FY 2004 Proposed Budget By Program (All Funds)



The pie chart above presents the FY 2004 proposed budget for all City funds, categorized by program area. This type of programmatic information facilitates examination of the budget from a different perspective than the organizational scheme used in Sections V-IX of the document. This programmatic view of the proposed budget is included in the budget document at the request of the City Council's Budget and Fiscal Affairs Advisory Committee (BFAAC) as part of its on-going effort to examine and recommend improvements in the City's budget process.

The categorization scheme used in these program budget presentations is specified by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and is used by the APA in the preparation of an annual State-wide comparative report of local government finances.

FY 2004 PROPOSED BUDGET BY PROGRAM

Department	General Government	Judicial Administration	Public Safety	Cash Capital	Public Works	Community Development	Health & Welfare	Parks, Recreation & Culture	Education	Debt Service	Total
City Council	542,415	0	0	0	0	0	0	0	0	0	542,415
City Manager	1,821,240	0	0	0	0	0	0	0	0	0	1,821,240
Citizen Assistance	568,056	0	0	0	0	0	0	0	0	0	568,056
Office of Management & Budget	930,783	0	0	0	0	0	0	0	0	0	930,783
Office On Women	1,457,288	0	0	0	0	0	0	0	0	0	1,457,288
Human Rights	456,704	0	0	0	0	0	0	0	0	0	456,704
18th Circuit Court	0	1,157,538	0	0	0	0	0	0	0	0	1,157,538
18th General District Court	0	85,493	0	0	0	0	0	0	0	0	85,493
Juvenile & Domestic Relations Court	0	33,948	0	0	0	0	0	0	0	0	33,948
Commonwealth's Attorney	0	2,551,533	0	0	0	0	0	0	0	0	2,551,533
Sheriff	0	5,004,284	14,475,194	0	0	0	0	0	0	0	19,479,478
Clerk of the Circuit Court	0	1,320,553	0	0	0	0	0	0	0	0	1,320,553
Law Library	0	128,648	0	0	0	0	0	0	0	0	128,648
Other Public Safety & Justice Activities	0	3,882,620	0	0	0	0	0	0	0	0	3,882,620
Court Service Unit	0	939,117	0	0	0	0	0	0	0	0	939,117
Information Technology Svcs	6,789,304	0	0	0	0	0	0	0	0	0	6,789,304
City Clerk & Clerk of Council	339,721	0	0	0	0	0	0	0	0	0	339,721
Finance	7,327,774	0	0	0	0	0	0	0	0	0	7,327,774
Internal Audit	181,413	0	0	0	0	0	0	0	0	0	181,413
Real Estate Assessment	994,402	0	0	0	0	0	0	0	0	0	994,402
Personnel	2,245,679	0	0	0	0	0	0	0	0	0	2,245,679
Planning & Zoning	0	0	0	0	0	3,161,758	0	0	0	0	3,161,758
Other Planning/Economic Development	0	0	0	0	0	2,248,399	0	0	0	0	2,248,399
City Attorney	1,438,956	0	0	0	0	0	0	0	0	0	1,438,956
Registrar of Voters	886,874	0	0	0	0	0	0	0	0	0	886,874
General Services	2,918,058	0	0	0	6,719,543	0	0	0	0	0	9,637,601
Transportation & Environmental Services	0	0	0	0	22,373,720	613,886	0	0	0	0	22,987,606
Transit Subsidies	0	0	0	0	9,667,451	0	0	0	0	0	9,667,451
Fire	0	0	28,585,855	0	0	0	0	0	0	0	28,585,855
Police	0	0	41,125,879	0	0	0	0	0	0	0	41,125,879
Housing	0	0	0	0	0	3,422,089	0	0	0	0	3,422,089
MH/MR/SA	0	0	0	0	0	0	22,332,010	0	0	0	22,332,010
Health	0	0	0	0	0	0	6,975,321	0	0	0	6,975,321
Human Services	0	0	0	0	0	0	42,220,873	0	0	0	42,220,873
Historic Alexandria	0	0	0	0	0	0	0	2,410,817	0	0	2,410,817
Recreation, Parks, & Cultural Activities	0	0	0	0	968,860	0	0	14,715,368	0	0	15,684,228
Other Recreational Activities	0	0	0	0	0	0	0	232,220	0	0	232,220
Library	0	0	0	0	0	0	0	5,740,028	0	0	5,740,028
Schools	0	0	0	0	0	0	0	0	157,697,703	0	157,697,703
Other Educational Activities	0	0	0	0	0	0	0	0	13,058	0	13,058
Non Departmental	13,103,266	0	0	15,100,000	0	0	0	0	0	21,299,500	49,502,766
Total	42,001,933	15,103,734	84,186,928	15,100,000	39,729,574	9,446,132	71,528,204	23,098,433	157,710,761	21,299,500	479,205,199

Proposed
City of Alexandria, Virginia FY 2004 Budget

46

Executive Summary

BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE PROGRAM BUDGET FORMAT

The Program Budget format was proposed by the Budget and Fiscal Affairs Advisory Committee (BFAAC) and approved by City Council on May 25, 1993. This format summarizes the total City budget using more specific object of expenditure groupings (expense categories) than those presented in the budget resources tables shown within each departmental description. OMB staff worked with BFAAC to develop the presentation of this format and BFAAC members requested that the total budget chart be presented on a single page. In FY 2003, OMB adjusted the expense categories to reflect how they are defined in the City's budget and accounting system. In the areas of most significant expense, Salaries and Fringe Benefits, the categorical definitions are unchanged. Cash Capital, Debt Service, and Contingent Reserves are also unchanged. Categories of non-personnel operating expenses have been re-organized to reflect how budgeted expenditures are allocated by OMB and actual expenses are posted, tracked, and reported by Accounting. The following is a set of definitions of the categories presented in the BFAAC tables.

Salaries - Full-time, part-time, and seasonal employee salaries and overtime.

Fringe Benefits - Social security, retirement contributions, group life insurance, health insurance, allowances, unemployment, recruitment, employee assistance, long term disability, dental insurance, and transit benefits.

Contractual Services - Professional contract services for advertising, temporary services, health services, maintenance, landscaping, construction, architecture, engineering, and other consulting and contractual services.

Internal Services - City vehicle maintenance and in-house print services.

Commodities - Office, janitorial, and other operating supplies.

Office Furniture & Equipment - Purchases and lease charges.

Vehicular Equipment - Purchases and lease charges.

EDP Equipment - Computer (Electronic Data Processing) hardware and peripheral equipment purchases and lease charges.

Operational Equipment - Purchase and lease costs associated with other operating equipment.

Utilities - Electric, gas, water, and fuel oil charges at City owned facilities.

Travel and Education - Conference registrations and regional and long distance travel.

Leases & Rentals - Leased office space and vehicle and equipment rentals.

BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE PROGRAM BUDGET FORMAT

Subsidies & Contributions - City contributions to non-profit public service providers, community partnerships, and public administration professional associations.

EDP Software Development - Computer software purchase and lease costs.

Other Charges - Waste-to-Energy Trust Fund expenditures, postal and messenger services, telecommunications, memberships and subscriptions, insurance, workers compensation, group health for retired employees, claims and liability insurance, pension supplements, bus discounts, day care, special events, legal expenses, client assistance payments, and other non-personnel expenditures.

Contingent Reserves - Funding set aside for unforeseen contingencies.

Cash Capital - The General Fund transfer to support the CIP.

Debt Service - Principal and interest payments on City debt obligations.

Enterprise Fund - DASH bus operating subsidy.



**BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE PROGRAM BUDGET FORMAT
FY 2003 APPROVED BUDGET (ALL FUNDS)**

Expense Category	Legislative and Executive	Courts and Constitutional Officers	General Government	Operating Agencies	Education	Total
Salaries	2,919,428	16,248,934	16,386,480	93,787,017	98,502,119	227,843,978
Fringe Benefits	647,189	5,541,037	4,304,656	28,634,925	26,269,920	65,397,727
Contractual Services	95,495	1,990,767	6,670,373	21,590,621	5,545,951	35,893,207
Internal Services	99,133	277,687	440,507	3,924,885	65,500	4,807,712
Commodities	38,345	920,147	1,814,603	4,650,780	7,341,178	14,765,053
Office Furniture & Equipment	1,500	4,245	82,440	2,786	3,027,160	3,118,131
Vehicular Equipment	0	265,372	0	4,015,204	0	4,280,576
EDP Equipment	0	10,000	765,000	302,110	0	1,077,110
Operational Equipment	0	35,775	0	159,571	174,000	369,346
Utilities	0	26,440	1,082,986	2,831,173	0	3,940,599
Travel and Education	47,397	114,816	335,762	544,715	22,500	1,065,190
Leases & Rentals	49,025	468,415	922,143	2,520,099	16,000	3,975,682
Subsidies & Contributions	0	2,979,628	222,490	26,897,039	13,246	30,112,403
EDP Software Development	0	0	1,000	1,500	0	2,500
Other Charges	115,388	847,007	4,054,645	7,249,753	7,182,839	19,449,632
Contingent Reserves	0	0	950,000	528,979	0	1,478,979
Cash Capital	0	0	14,200,000	0	0	14,200,000
Debt Service	0	0	17,739,094	0	0	17,739,094
Enterprise Fund	0	0	0	4,834,200	0	4,834,200
Total	4,012,900	29,730,270	69,972,179	202,475,357	148,160,413	454,351,119

**BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE PROGRAM BUDGET FORMAT
 FY 2003 APPROVED BUDGET (ALL FUNDS)
 OPERATING AGENCIES**

Expense Category	Fire	Police	Health	Human Services	MH/MR/SA	Housing	Planning & Zoning	Historic Alexandria	Recreation, Parks, & Cultural Activities	Library	Transportation & Environmental Services	Total
Salaries	17,478,439	24,761,020	775,931	11,294,182	13,936,958	1,067,447	2,140,846	1,461,519	8,881,474	3,288,484	8,700,717	93,787,017
Fringe Benefits	5,930,442	8,742,355	260,176	3,105,496	3,905,070	294,101	535,276	309,736	2,135,770	802,946	2,613,557	28,634,925
Contractual Services	1,270,380	964,645	4,486,507	1,436,010	1,626,501	208,695	276,413	258,679	1,586,038	367,207	9,109,546	21,590,621
Internal Services	728,716	1,223,514	21,290	185,599	221,218	25,069	29,500	28,854	320,644	7,760	1,132,721	3,924,885
Commodities	899,568	677,523	36,648	256,366	768,880	7,356	18,500	127,668	927,567	53,020	877,684	4,650,780
Office Furniture & Equipment	0	0	0	0	0	2,786	0	0	0	0	0	2,786
Vehicular Equipment	1,193,000	1,356,204	39,000	80,000	96,000	0	0	0	422,000	0	829,000	4,015,204
EDP Equipment	36,848	261,082	0	0	0	0	0	0	0	0	4,180	302,110
Operational Equipment	142,571	0	0	0	0	0	0	0	0	0	17,000	159,571
Utilities	143,246	39,905	2,049	61,547	258,675	3,604	0	83,264	519,263	235,308	1,484,312	2,831,173
Travel and Education	117,203	90,635	6,377	80,803	110,895	8,551	26,897	8,665	43,762	800	50,127	544,715
Leases & Rentals	22,773	384,147	9,922	731,430	1,077,312	49,468	23,472	14,156	70,770	0	136,649	2,520,099
Subsidies & Contributions	0	0	700,000	21,902,186	269,861	1,418,877	2,169,245	3,000	433,870	0	0	26,897,039
EDP Software Development	0	0	0	0	0	1,500	0	0	0	0	0	1,500
Other Charges	270,586	1,085,655	98,580	3,148,478	302,054	33,853	17,872	43,363	295,431	894,671	1,059,210	7,249,753
Contingent Reserves	0	0	528,979	0	0	0	0	0	0	0	0	528,979
Enterprise Fund	0	0	0	0	0	0	0	0	0	0	4,834,200	4,834,200
Total	28,233,772	39,586,685	6,965,459	42,282,097	22,573,424	3,121,307	5,238,021	2,338,904	15,636,589	5,650,196	30,848,903	202,475,357

BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE PROGRAM BUDGET FORMAT
FY 2004 PROPOSED BUDGET (ALL FUNDS)

Expense Category	Legislative and Executive	Courts and Constitutional Officers	General Government	Operating Agencies	Education	Total
Salaries	3,017,173	16,668,447	17,015,621	96,309,099	107,406,663	240,417,003
Fringe Benefits	689,163	5,523,464	4,548,640	29,167,224	27,099,078	67,027,569
Contractual Services	76,890	2,172,540	11,230,005	23,635,498	5,922,553	43,037,486
Internal Services	103,496	291,310	438,327	4,116,217	0	4,949,350
Commodities	40,445	909,149	1,825,945	4,872,923	7,750,156	15,398,618
Office Furniture & Equipment	1,500	4,245	69,985	0	2,316,676	2,392,406
Vehicular Equipment	0	83,729	114,000	3,028,143	0	3,225,872
EDP Equipment	0	7,000	765,000	336,315	0	1,108,315
Operational Equipment	0	6,750	0	151,250	189,000	347,000
Utilities	0	26,440	1,084,306	2,785,811	0	3,896,557
Travel and Education	48,395	133,185	337,961	536,818	0	1,056,359
Leases & Rentals	52,584	503,128	869,219	3,633,370	0	5,058,301
Subsidies & Contributions	0	3,287,177	247,490	25,075,029	13,058	28,622,754
EDP Software Development	0	1,050	0	22,000	0	23,050
Other Charges	112,686	848,188	4,220,771	7,606,906	7,013,577	19,802,128
Contingent Reserves	0	0	925,000	409,931	0	1,334,931
Cash Capital	0	0	15,100,000	0	0	15,100,000
Debt Service	0	0	21,299,500	0	0	21,299,500
Enterprise Fund	0	0	0	5,108,000	0	5,108,000
Total	4,142,332	30,465,802	80,091,770	206,794,534	157,710,761	479,205,199

**BUDGET AND FISCAL AFFAIRS ADVISORY COMMITTEE PROGRAM BUDGET FORMAT
 FY 2004 PROPOSED BUDGET (ALL FUNDS)
 OPERATING AGENCIES**

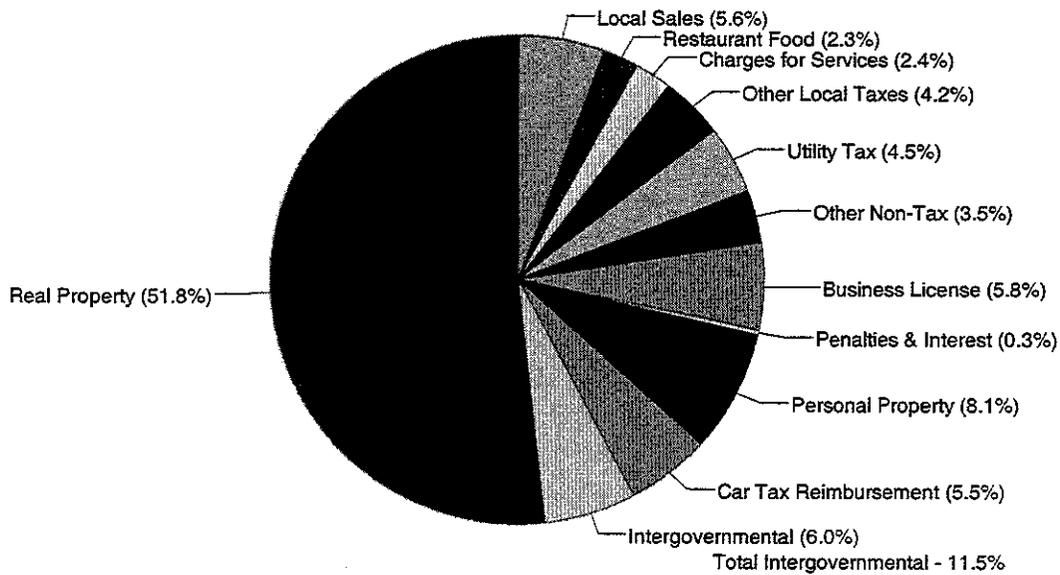
Expense Category	Fire	Police	Health	Human Services	MIH/MR/SA	Housing	Planning & Zoning	Historic Alexandria	Recreation, Parks, & Cultural Activities	Library	Transportation & Environmental Services	Total
Salaries	18,093,154	25,102,711	786,872	11,998,721	13,880,407	1,119,455	2,195,082	1,490,106	9,223,541	3,415,853	9,003,197	96,309,099
Fringe Benefits	6,072,564	8,718,869	283,872	3,246,985	3,929,037	296,799	576,022	329,562	2,244,048	758,578	2,710,888	29,167,224
Contractual Services	1,271,140	1,016,358	4,541,448	2,160,438	1,724,932	351,739	276,813	286,789	1,530,538	319,949	10,155,354	23,635,498
Internal Services	737,178	1,353,297	21,508	194,877	228,957	23,339	35,100	26,529	318,543	7,284	1,169,605	4,116,217
Commodities	952,894	569,015	44,406	263,799	816,950	8,122	21,000	123,381	1,119,097	67,100	887,159	4,872,923
Vehicular Equipment	692,500	1,341,143	22,000	67,500	20,000	0	0	0	87,000	0	798,000	3,028,143
EDP Equipment	22,015	311,300	0	0	0	0	0	0	0	0	3,000	336,315
Operational Equipment	134,250	0	0	0	0	0	0	0	0	0	17,000	151,250
Utilities	141,400	39,457	40,290	73,577	221,314	2,370	0	81,637	472,704	232,239	1,480,823	2,785,811
Travel and Education	121,141	100,825	7,747	67,470	111,876	7,858	16,497	6,715	47,112	400	49,177	536,818
Leases & Rentals	20,275	1,526,254	2,620	874,623	932,700	46,680	21,372	11,456	66,331	0	131,059	3,633,370
Subsidies & Contributions	0	0	700,000	19,836,328	278,054	1,530,591	2,248,399	3,000	478,657	0	0	25,075,029
EDP Software Development	0	0	0	0	0	0	0	0	0	0	22,000	22,000
Other Charges	327,344	1,046,650	114,627	3,436,555	187,783	35,136	19,872	51,642	328,877	938,625	1,119,795	7,606,906
Contingent Reserves	0	0	409,931	0	0	0	0	0	0	0	0	409,931
Enterprise Fund	0	0	0	0	0	0	0	0	0	0	5,108,000	5,108,000
Total	28,585,855	41,125,879	6,975,321	42,220,873	22,332,010	3,422,089	5,410,157	2,410,817	15,916,448	5,740,028	32,655,057	206,794,534



Revenue Summary

General Fund Revenue Distribution Proposed FY 2004

The pie chart below shows the distribution of estimated General Fund revenues for FY 2004, excluding the appropriation from fund balance.



Summary of Budgeted General Fund Revenues and Other Financing Sources

	FY 2002 <u>Actual</u>	FY 2003 <u>Budget</u>	FY 2003 <u>Revised</u>	FY 2004 <u>Proposed</u>
General Fund				
General property tax revenue				
Real property tax	164,959,409	176,572,000	183,497,000	203,167,000
Personal property tax	38,331,453	31,184,000	31,184,000	31,684,000
Penalties and interest	<u>1,854,835</u>	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,100,000</u>
Total general property tax revenue	205,145,697	208,856,000	215,781,000	235,951,000
Other local tax revenue				
Local sales tax	20,316,345	21,300,000	21,300,000	22,150,000
Utility tax	16,711,857	17,100,000	17,100,000	17,750,000
Business licenses	22,233,330	21,900,000	21,900,000	22,800,000
Motor vehicle licenses	2,285,722	2,300,000	2,300,000	2,300,000
Recordation	2,494,425	1,500,000	2,000,000	1,500,000
Tobacco	1,597,140	1,600,000	2,000,000	2,600,000
Transient lodging	5,206,418	5,250,000	5,600,000	5,900,000
Restaurant food	8,562,840	8,700,000	8,900,000	9,100,000
Other miscellaneous	<u>4,551,697</u>	<u>4,468,000</u>	<u>3,863,000</u>	<u>4,013,000</u>
Total other local tax revenues	83,959,774	84,118,000	84,963,000	88,113,000
Non-tax revenue				
Licenses, permits, and fees	3,501,475	4,000,000	3,000,000	3,000,000
Fines and forfeitures	3,931,596	3,882,000	4,000,000	4,000,000
Use of money and property	8,769,357	6,550,500	4,886,000	6,168,186
Charges for services	8,954,310	9,863,800	9,476,200	9,291,200
Intergovernmental revenues	46,601,916	45,905,800	45,668,200	45,058,200
Miscellaneous	<u>538,278</u>	<u>458,000</u>	<u>458,000</u>	<u>458,000</u>
Total non-tax revenue	<u>72,296,932</u>	<u>70,660,100</u>	<u>67,488,400</u>	<u>67,975,586</u>
Total General Fund revenues	361,402,403	363,634,100	368,232,400	392,039,586
Other financing sources (uses)				
Appropriation from City fund balance	0	9,816,624	9,816,624	6,000,000
Appropriation for recycling fund balance	0	471,480	310,000	583,601
Total General Fund revenues and other sources	361,402,403	373,922,204	378,359,024	398,623,187
	=====	=====	=====	=====

General Fund Revenue Summary

Total FY 2004 General Fund revenues are projected at \$392,039,586, which represents an increase of \$23,807,186, or 6.5 percent, as compared to the current FY 2003 revenue projections, and 7.8 percent as compared to the FY 2003 adopted budget. The FY 2004 General Fund revenues assume continued growth in the real property tax base and a stable local economy, increasing at the projected rate of inflation, except as noted in the detailed discussion below.

Real Property Tax Revenues FY 2004 real property tax revenues are estimated at \$203.2 million, an increase of \$19.7 million, or 10.7 percent, as compared to the current FY 2003 projection. This also reflects a 3 cent reduction in the real property tax rate from \$1.08 to \$1.05. Real property tax revenues, which are currently projected to account for 49.8 percent of total FY 2003 General Fund revenues, are expected to account for 51.8 percent of total General Fund revenues in FY 2004. As required by State law, all parcels of real estate in the City are annually assessed at 100 percent of estimated fair market value.

As detailed in the Calendar Year 2003 Real Property Assessment Report, which is prepared by the Department of Real Estate Assessments, the total 2003 (calendar year) locally assessed tax base is approximately \$18.7 billion, an increase of \$3.2 billion, or 20.7 percent, as compared to the 2002 tax base. Including Public Service Corporation and railroad real property, which are assessed by the State, the total real property tax base has increased to approximately \$19.4 billion, an increase of \$3.22 billion, or 19.9 percent, as compared to the 2002 assessment. Of the total \$3.22 billion increase, approximately 15.7 percent (\$505.8 million) is the result of new growth, including \$89.5 million in new residential construction, and \$416.3 million in new commercial construction. The reassessments of existing properties increased \$2.71 billion, reflecting the strong market demand for residential properties, as well as the healthy condition of income-producing multi-family residential properties.

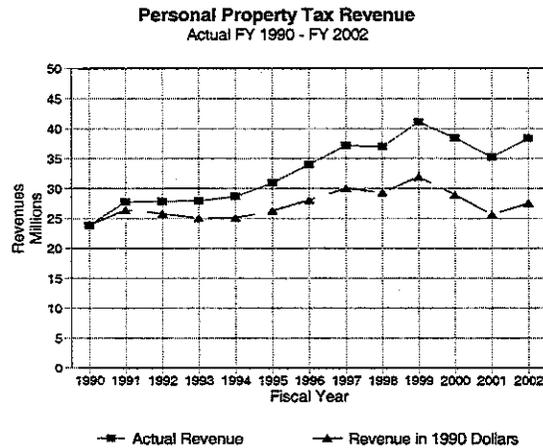
Real Property tax revenues for the first half of FY 2004 (the second half of calendar year 2003) are based on the 2003 real property assessment, a three cent decrease in the real property tax rate from \$1.08 to \$1.05, and a 49.00 percent collection rate for the second half of the 2003 tax levy. Real property tax revenues for the second half of FY 2004 (the first half of calendar year 2004) are based on a projected 5.0 percent increase in real property assessments next year, which assumes: (1) both continued new growth in the tax base and appreciation of existing residential and commercial properties, (2) a \$1.05 real property tax rate, and (3) a 49.00 percent second half collection rate. (See the Statement of Estimated Real Property Tax Revenues following this summary for this calculation.)

General Fund Revenue Summary

The real property tax revenues estimate has been reduced by approximately \$1.3 million to reflect the costs of the senior citizen and disabled persons tax relief program. The current program's total estimated cost in FY 2004 is \$1.1 million, with \$0.2 million in additional funds set aside in anticipation of future City Council action to expand this program.

Personal Property Tax Revenues

Personal property tax revenue consists of two sources: individual personal property, which is primarily vehicles, and business personal property, which includes motor vehicles, machinery, computers, and furniture. In FY 2004, the individual personal property tax base of vehicles is projected to not increase as compared to the current projection, except due to changes discussed below. Business personal property tax base is also projected to remain flat. The FY 2003 projection is based on actual collections through December 2002. The FY 2004 projections are based on analysis of car sales and values, as well as slow rates of business reinvestment in 2002 (which is the basis for 2003 assessments billed and paid in FY 2004).



The City assesses the personal property and collects a portion of these tax revenues directly. The remainder is reimbursed to the City by the State as part of the Personal Property Tax Relief Act (PPTRA) and is recognized as Intergovernmental Revenue. Locally collected Personal Property Tax Revenues are budgeted in FY 2004 at \$31,684,000, compared to \$31,184,000 projected in FY 2003. Including the State's reimbursement, which is budgeted in Intergovernmental Revenues and including delinquent tax collections, the FY 2004 proposed budget includes a total of \$53.2 million in revenue generated from the Personal Property tax base, as compared to \$53.2 million projected in FY 2003. As a result of changes in the PPTRA regulations which may result in a larger portion of the overall tax liability being collected locally, the locally collected revenue was increased by \$500,000 and the state reimbursed portion was decreased for the same amount. Locally-collected personal property tax is composed of \$14,898,000 in individual personal property (vehicles), \$15,386,000 in business personal property, and \$1,400,000 in delinquent personal property taxes and is based on current collections through December 2002 and assumes virtually no growth in either category.

Staff will continue to monitor personal property tax revenues closely during the year and report to Council in the context of the Monthly Financial Reports that are docketed for the second Council legislative meeting each month.

General Fund Revenue Summary

Intergovernmental Revenues State and federal aid that is not legally restricted to a specific program use is accounted for in the City's General Fund. FY 2004 General Fund intergovernmental revenues are budgeted at \$45,058,200, which represents a decrease of \$610,000, or 1.3 percent, as compared to the current FY 2003 projection, \$847,000 from FY 2003's original budget and \$1,543,716 from FY 2002 actual revenues. Additional State losses have also been experienced in the City and Schools Special Revenue Fund accounts.

Budget actions at the State level regarding aid to localities coupled with cautious revenue forecasts during the development of the FY 2004 budget, have resulted in very conservative Intergovernmental Revenue forecasts.

The following table provides information on budget detail estimates in the City's General Fund Intergovernmental Revenues. For additional information on State and federal aid that is restricted to specific programs or services, which is accounted for in the City's Special Revenue Fund, please refer to the Special Revenue Fund summary.

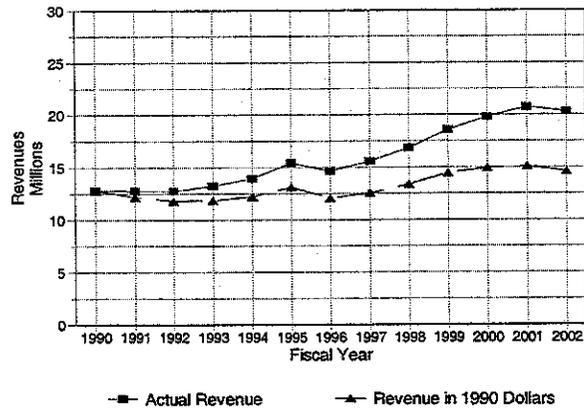
General Fund Intergovernmental Revenues

	FY 2002 Actual	FY 2003 Approved	FY 2003 Projected	FY 2004 Proposed
STATE AID				
HB 599 (law enforcement aid)	\$5,933,422	\$6,129,000	\$5,918,000	\$5,918,000
Personal Property Tax Reimbursement	21,270,491	22,040,000	22,040,000	21,500,000
Compensation Board Reimbursements for Sheriff and Other Constitutional Officers	6,161,766	5,794,000	5,655,000	5,655,000
Compensation Board Reimbursements for Treasury and Revenue Administration	587,310	559,000	498,000	498,000
State Prisoner Per Diem Payments	773,300	760,000	648,000	562,000
Wine Taxes and Alcoholic Beverage Control (ABC) Taxes	529,535	330,000	240,000	154,000
State Aid for Road Maintenance	4,869,285	5,064,800	5,047,800	5,149,800
Other State Aid	1,098,970	849,000	846,400	846,400
FEDERAL AID				
Federal Prisoner Per Diem	5,116,830	4,000,000	4,500,000	4,500,000
Other Federal Aid (Indirect costs recovered from federal grants)	261,007	380,000	275,000	275,000
TOTAL	\$46,601,916	\$45,905,800	\$45,668,200	\$45,058,200

General Fund Revenue Summary

Local Sales Tax Revenues The total sales tax in Alexandria is generally 4.5 percent (grocery store food is somewhat less), which includes the locally levied sales tax of 1.0 percent and the State sales tax of 3.5 percent. The sales tax is collected by retail merchants when goods and services are purchased. Of the total 3.5 percent State sales tax remitted to the State, 1.0 percent is allocated to education Statewide, 0.5 percent is allocated to transportation projects in Northern Virginia, and the balance is distributed to other State-funded programs. FY 2004 local 1.0 percent sales tax revenues are budgeted at \$22,150,000, which is an increase of \$850,000, or 4.0 percent, as compared to the current FY 2003 projection. Local sales tax revenues as a proportion of total General Fund revenues, are currently expected to account for 5.8 percent of projected FY 2003 General Fund revenues, are expected to account for 5.6 percent of total General Fund revenues in FY 2004.

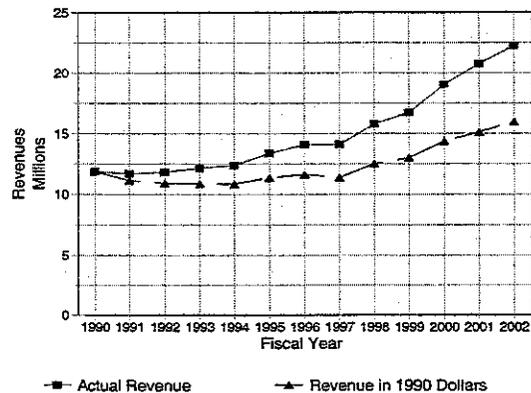
Local Sales Tax Revenue
Actual FY 1990 - FY 2002



Consumer Utility Tax Revenues The consumer utility tax is levied on all residential and commercial users of water, natural gas, electricity, and telephone service. The utility tax rates are detailed in the table titled "FY 2004 Proposed Tax Rates for Major Revenue Sources." FY 2004 consumer utility tax revenues are budgeted at \$17,750,000, which is an increase of \$650,000, or 3.8 percent, as compared to the FY 2003 projected revenues. Utility tax revenues as a proportion of total General Fund revenues, currently projected at 4.6 percent of total FY 2003 General Fund revenues, are expected to account for 4.5 percent of total General Fund revenues in FY 2004.

Business Professional and Occupational Licenses (BPOL) The BPOL tax is levied on those doing business in the City and is a fixed fee of \$50 for businesses with gross receipts ranging from \$10,000 to \$100,000. For businesses with gross receipts of \$100,000 or more, the BPOL tax is assessed as a percentage of the gross receipts at rates ranging from .0016 (contractors) to .0058 (professionals, such as doctors and lawyers). In May 1996, City Council approved the following changes to the City's BPOL tax ordinance: an increase from \$50,000 to \$100,000 in the minimum gross receipts collected by a licensable business before a BPOL tax based on the amount of gross receipts is imposed, and an increase from \$30 to \$50 in the flat fee on businesses with gross receipts below the \$100,000 cap.

BPOL Tax Revenue
Actual FY 1990 - FY 2002



General Fund Revenue Summary

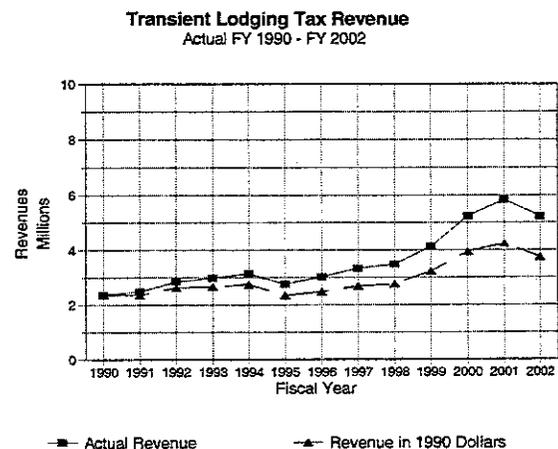
In FY 2002, reductions in the late filing penalties were approved. FY 2004 business license tax revenues are budgeted at \$22.8 million, an increase of \$900,000, or 4.1 percent, as compared to the current FY 2003 revenue projection. Projected revenues in both FY 2003 and FY 2004 reflect actual collections to date and a projected rate of growth of 4 percent for FY 2004.

Motor Vehicle License Revenues The City levies an annual vehicle license tax on all motor vehicles, trailers, and semitrailers and issues a vehicle license decal as proof that the license tax has been paid. (The decal is also evidence of payment of personal property taxes since decals are not issued unless personal property taxes have been paid.) FY 2004 motor vehicle license revenues are budgeted at \$2.3 million, which is equal to the current FY 2003 projection.

Recordation Tax Revenues The local recordation tax is assessed at the rate of \$0.05 per \$100 of value for all transactions, including the recording of deeds, deeds of trust, mortgages, and contracts admitted to record by the Clerk of the Circuit Court. FY 2004 recordation tax revenues are budgeted at \$1.5 million. The FY 2003 projection of \$2.0 million is an increase of \$0.5 million compared to the FY 2003 budgeted amount of \$1.5 million due to home sales and refinancings. However, revenues in FY 2004 are not expected to equal FY 2003 and FY 2002 as home sales have decreased and homeowner refinancings are expected to diminish.

Tobacco Tax Revenues The local tobacco tax is levied at a rate of \$0.50 per pack of 20 cigarettes sold in the City. The rate was increased from \$0.30 to \$0.50 as of January 2003 and FY 2003 revenues have been increased to reflect the partial year increase. FY 2004 tobacco tax revenues are budgeted at \$2.6 million, reflecting the first full year of collections at the higher tax rate. The FY 2003 revenue estimate assumes an increase of \$400,000, from the budgeted amount of \$1.6 million to the projected amount of \$2.0 million.

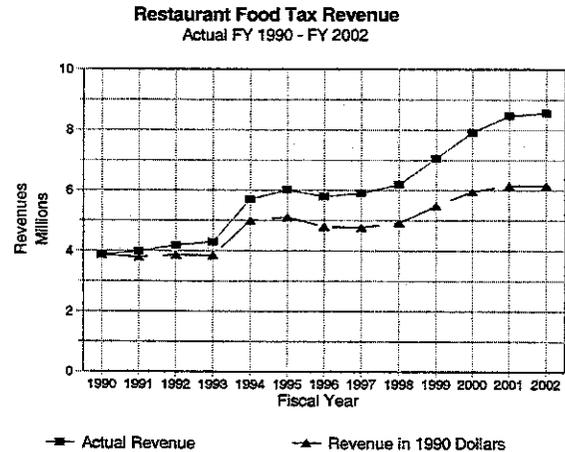
Transient Lodging Tax Revenues In FY 2000, the local tax levied on the amount paid for hotel and motel rooms was decreased from 5.65 to 5.5 percent. The rate reduction in FY 2000 was combined with the implementation of a \$1 per night lodging fee that is levied on the charge for the room in addition to the 5.5 percent transient lodging tax rate. FY 2004 transient lodging tax revenues are budgeted at \$5.9 million, which is an increase of \$300,000, or 5.4 percent, as compared to the current FY 2003 projection and reflects some expected increase in occupancy rates and achieved room rates, as well as the opening of one new hotel in mid-FY 2003.



General Fund Revenue Summary

The FY 2003 projection of \$5.6 million reflects an increase of \$350,000 compared to the FY 2003 budgeted amount, based on revenue collections in the first half of the fiscal year.

Restaurant Meals Tax Revenues The local restaurant meals tax rate is 3 percent. FY 2004 restaurant meals tax revenues are budgeted at \$9.1 million, which is an increase of \$200,000, or 2.2 percent, compared to the current FY 2003 projection. FY 2003 revenues are projected at \$8.9 million, an increase of \$200,000 compared to the FY 2003 budget amounts. Revenues are projected for both FY 2003 and FY 2004 based on actual revenues through the first half of FY 2003 and the expectation that local restaurants will continue to see some improvements in sales.



Other Miscellaneous Local Tax Revenues Other miscellaneous local tax revenues are budgeted at \$4,013,000, which is an increase of \$150,000, or 3.9 percent, as compared to the current FY 2003 revenue projections for this category. The majority of these tax revenues are projected to be equal to FY 2001 actual revenues. Other miscellaneous tax revenues include \$700,000 for E-911 tax revenues, which is based on the rate of 50 cents per line per month, and \$770,000 for net City revenues associated with the State's telecommunications tax of 63 cents per line per month. (Other taxes included in this category are bank and other franchise taxes, which are estimated at \$1.4 million, and the daily rental tax, which is estimated at \$35,000 in FY 2004). Telecommunications and E-911 revenues have been reduced in both FY 2003 and FY 2004 (by \$870,000) to reflect actual collections through the midpoint of FY 2003, as what has been remitted by Verizon has dropped dramatically. City staff are continuing to seek resolution of this matter with Verizon.

Licenses, Permits and Fees FY 2004 revenues from licenses, permits and fees are budgeted at \$3.0 million, which is equal to the current FY 2003 projection, but \$1.0 million less than FY 2004's budget. The FY 2003 budget estimate for all licenses, permits and fees is based on the trend in actual revenues received through December 2003. The major component of this category, building permits, is expected to remain flat through the remainder of FY 2003. The FY 2004 projection is based on this expectation.

Fines and Forfeitures FY 2004 revenues from fines and forfeitures are budgeted at \$4.0 million, which is equal to the current FY 2003 projections. Parking fines account for \$2.8 million, or approximately 70 percent of the revenue in this category. Revenues for the new Red Light Camera Pilot Enforcement program are budgeted at \$243,000, an amount equal to the FY 2003 projection, which is based on fines collected through December 2002. The FY 2003 court fines and forfeitures are budgeted at \$825,000.

General Fund Revenue Summary

Revenues from the Use of Money and Property FY 2004 revenues from the use of money and property are budgeted at \$6,168,186, which represents an increase of \$1,282,186, or 26.2 percent, as compared to the current FY 2003 projection. The FY 2003 projection has been reduced by nearly \$1.7 million, to \$4.9 million. The adjustments are primarily attributed to a reduction in the estimate for interest revenue of \$1.5 million on General Fund investments, which is projected to decline due to current low interest rates, and an expected reduction in the amount of cash available for investments as cash capital funding has increased. Both the FY 2003 and FY 2004 projections are lower than the FY 2003 budgeted amount of \$6.6 million, and significantly lower than FY 2002 actual revenues of \$8.8 million. Interest on General Fund investments in FY 2004 are projected at \$3.4 million on an average cash balance of \$125 million at 2.6 percent. This revenue category also includes parking fees from the use of City lots and garages, which are budgeted at \$1.8 million in both FY 2003 and FY 2004.

Charges for Services The City Council's general user fee guidelines, adopted in FY 1994, provide that the City's user fees and charges for service shall be set in consideration of the City's ability (a) to recover the cost of providing the service, except in cases where the City's economic development goals or the income levels of affected residents or other market considerations have a bearing on fee setting, and (b) to maintain comparability with fees and charges in neighboring jurisdictions. FY 2004 revenues from charges for services are budgeted at \$9,291,200, which is a decrease of \$185,000 compared to the FY 2003 projection. The \$400,000 decrease is attributed to a change in the accounting of sewer connection charges, which have historically been included as general fund revenue, but will now be included in the Capital Improvement Program as a direct source of revenue to fund sanitary sewer projects.

For FY 2004 the City's \$0.20/1,000 gallons sanitary sewer rate is proposed to increase by \$0.20 to \$0.40 as part of a multi-year plan to establish a self-financing (from user fees) sanitary sewer system (operating, debt service and capital costs). This \$0.20 increase, which will cost the average residential user \$16 per year more in FY 2004, will raise \$1.1 million to be used for capital projects in FY 2004. Similar future fee increases are contemplated in FY 2005 and beyond.

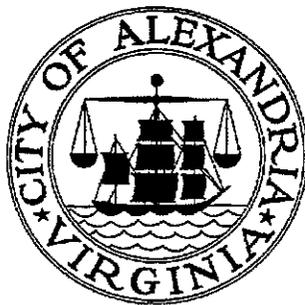
Other Miscellaneous Non-tax Revenues FY 2004 other miscellaneous non-tax revenues, such as insurance recoveries and fees to offset special events expenditures, are budgeted at \$458,000, which is equal to the FY 2003 projection and the FY 2003 budgeted amount.

Statement of Estimated Real Property Tax Revenues

For the Fiscal years ending June 30, 2003 and June 30, 2004

	Due Date	Assessed Value (thousands)	Tax Rate (per \$100)	Tax Year Gross Levy	Estimated Collection Rate	Net Tax Revenue
Fiscal Year 2003						
Second half tax year 2002						
Locally assessed real property	11/15/02	\$15,606,225	\$1.08	\$168,547,230	48.00%	\$80,902,670
Non-locally assessed property	11/15/02	600,664	1.08	6,487,172	49.50%	3,211,150
Total second half tax year 2002		<u>\$16,206,889</u>		<u>\$175,034,402</u>		<u>\$84,113,820</u>
First half tax year 2003						
Locally assessed real property	06/15/03	\$18,666,695	\$1.05	\$196,000,298	49.00%	\$96,040,146
Non-locally assessed property	06/15/03	681,555	1.05	7,156,331	49.50%	3,542,384
Total first half tax year 2003		<u>\$19,348,250</u>		<u>\$203,156,629</u>		<u>\$99,582,530</u>
Total fiscal year 2003 revenue						<u><u>\$183,696,350</u></u>
Fiscal Year 2004						
Second half tax year 2003						
Locally assessed real property	11/15/03	\$18,666,695	\$1.05	\$196,000,298	49.00%	\$96,040,146
Non-locally assessed property	11/15/03	681,555	1.05	7,156,331	49.50%	3,542,384
Total second half tax year 2003		<u>\$19,348,250</u>		<u>\$203,156,629</u>		<u>\$99,582,530</u>
First half tax year 2004						
Locally assessed real property	06/15/04	\$19,600,030	\$1.05	\$205,800,313	49.00%	\$100,842,154
Non-locally assessed property	06/15/04	681,555	1.05	7,156,328	49.50%	3,542,382
Total first half tax year 2004		<u>\$20,281,585</u>		<u>\$212,956,641</u>		<u>\$104,384,536</u>
Total fiscal year 2004 revenue /1						<u><u>\$203,967,066</u></u>

/1 Total fiscal year 2004 real property tax revenue of \$203,167,000 as stated in the General Fund Revenue Summary on page 4-2 reflects an additional \$500,000 resulting from a delay in collection of real property tax revenues original anticipated in FY 2003 and a reduction of \$1,300,000 to reflect the expanded senior citizen and disabled persons tax relief initiative adopted by City Council in FY 2002.



Real Estate Tax Rates by Calendar Year

Shown below is a comparison of real estate tax rates from selected Northern Virginia jurisdictions over the past eighteen calendar years. In Virginia, the tax and calendar years coincide. Rates listed are per \$100 of assessed value.

In Alexandria for tax year 2003 (FY 2004), the estimated fiscal impact of the proposed three cent reduction on the real property tax rate was \$5.8 million for a tax rate for the 2003 calendar year only, and \$8.6 million for a tax rate that carries until the end of FY 2004 (i.e., three payment periods of June 2003, November 2003, and June 2004).

REAL ESTATE TAX RATES*

YEAR	City of Alexandria	Arlington County	Fairfax County	Loudoun County	Prince William County
1981	1.37/1.35	.96	1.51	1.02	1.40
1982	1.37	.98	1.47	1.13	1.45
1983	1.41	.99	1.47	1.13	1.42
1984	1.41	.97	1.46	1.10	1.39
1985	1.39	.95	1.39	1.13	1.42
1986	1.38/1.37	.94	1.35	1.02	1.42
1987	1.34	.92	1.32	.88	1.30
1988	1.25	.89	1.30	.95	1.38
1989	1.10	.78	1.19	.88	1.38
1990	1.045	.765	1.11	.85	1.36
1991	1.045	.765	1.11	.94	1.36
1992	1.045	.82	1.16	.96	1.36
1993	1.07	.86	1.16	1.00	1.36
1994	1.07	.897	1.16	1.02	1.36
1995	1.07	.94	1.16	.99	1.36
1996	1.07	.96	1.23	1.03	1.36
1997	1.07	.986	1.23	1.06	1.36
1998	1.11	.998	1.23	1.11	1.36
1999	1.11	.998	1.23	1.11	1.36
2000	1.11	1.023	1.23	1.08	1.34
2001	1.11	1.023	1.23	1.08	1.31
2002	1.08	.993	1.21	1.05	1.23
2003 proposed	1.05	.993	1.19	1.105	1.19

*Does not reflect additional special tax district (fire, leaf collection, etc.) or town real estate tax rates (Arlington County, Fairfax County, Prince William County and Loudoun County).

Real Property Assessments

Average Residential Tax Bills 1990 - 2003

The following two tables depict the average residential real estate tax bill and average single family real estate tax bill adjusted to 2003 dollars, using U.S. Bureau of Labor Statistics Consumer Price Index (CPI) information, and using real estate tax rates in place for each year.

For the owner of an average residential unit (defined as single family homes, residential condominiums, and cooperatives), the City tax bill for 2003 at the proposed \$1.05 tax rate would be \$3,243. In today's dollars the average tax bill in 1990 for the average residential unit was \$2,628.

For the owner of an average single family residential unit (defined as detached homes, semi-detached homes [duplexes and end town home units] and row houses), the City tax bill for 2003 at the proposed \$1.05 tax rate would be \$4,301. In today's dollars the average tax bill in 1990 was \$3,388.

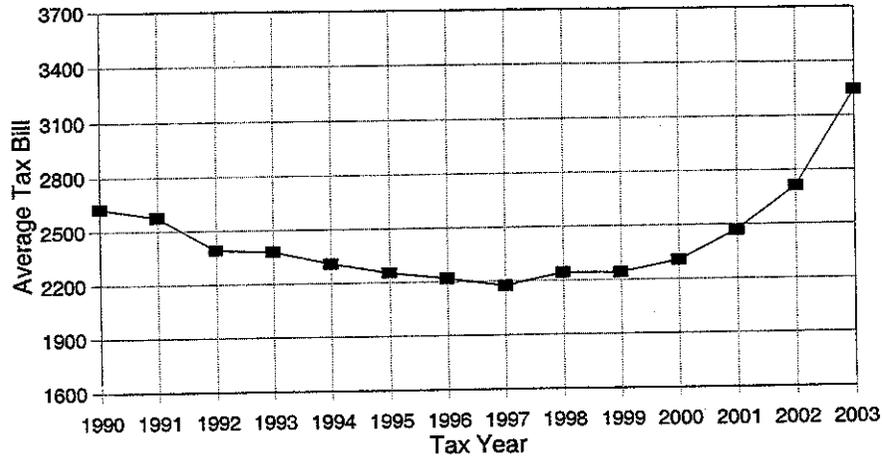
Real Property Assessments

Average Residential Tax Bills 1990 - 2003

Residential Tax Bill Comparison

1990 - 2003

Adjusted to 2003 dollars

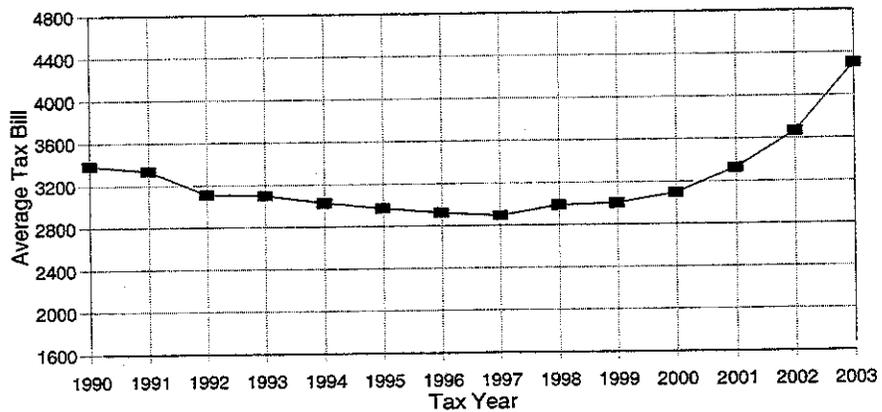


—■— Average Residential Tax Bill

Single Family Tax Bill Comparison

1990 - 2003

Adjusted to 2003 dollars

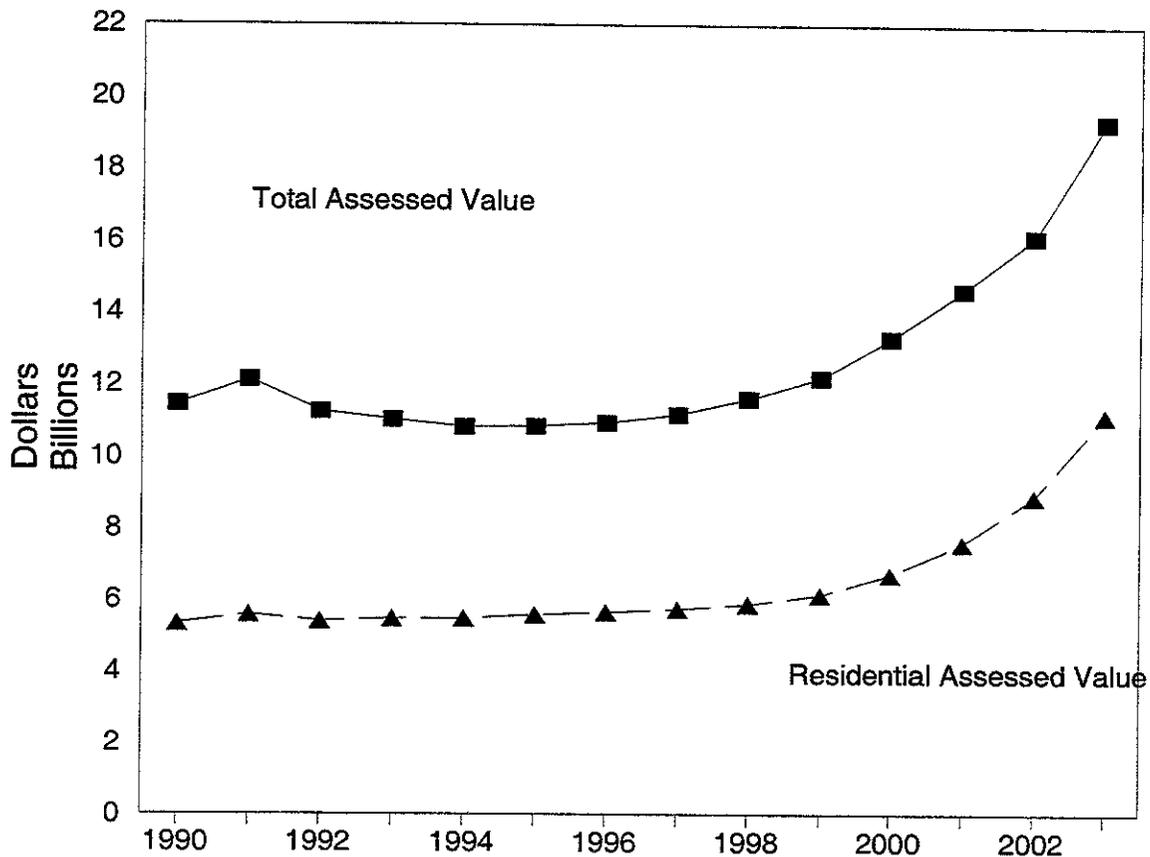


—■— Average Single Family Tax Bill

Real Property Tax Base

Total Assessed Value
Tax Years 1990 - 2003

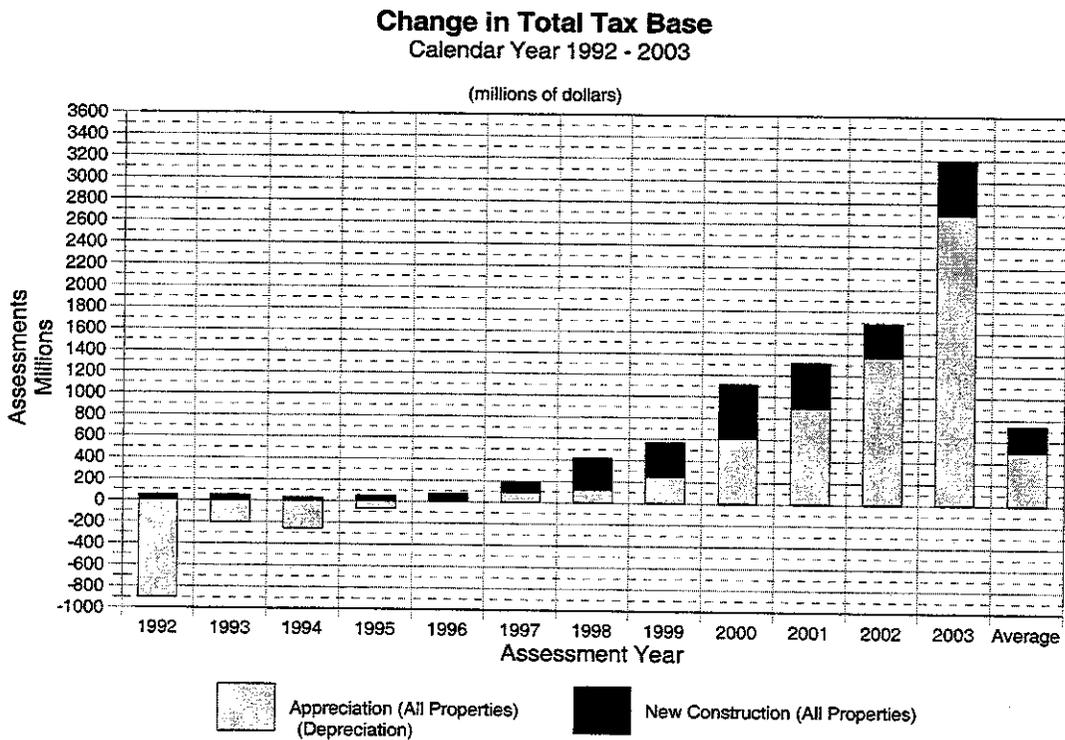
This graph displays the change in the City's real property tax base since 1990. The top line represents the total assessed value of the City's tax base and the bottom line represents the total assessed value of residential real property. After several years of commercial assessments accounting for the majority of the City's tax base, beginning in 1994, residential assessments (single family and condominiums) now account for more than half of the City's total assessed value. In 2003 residential property accounted for 57.7% of the City's real estate tax base.



Real Property Tax Base

Change in Total Tax Base Tax Years 1992 - 2003

The following chart compares total appreciation of existing properties with total new construction. As shown in the graph, increases to the tax base have been primarily the result of new construction. Tax year 2000 marked the first year since 1991 that appreciation of existing properties exceeded the value of new construction. Since tax year 2001, appreciation significantly exceeds the value of new construction. As a result of the significant increases in appreciation in tax year 2003, the average value of appreciation for the twelve year period shown now exceeds the average value of new construction.



Source: Department of Real Estate Assessments
Prepared by: Office of Management and Budget

Real Estate Assessments by Calendar Year

(Amounts in Thousands)

	1992 ^{/4}	1993 ^{/5}	1994	1995	1996	1997
Residential Single Family	3,918,081	3,950,462	3,959,811	4,054,108	4,151,909	4,245,411
Residential Condominium	1,483,931	1,515,358	1,503,185	1,522,470	1,506,198	1,496,966
Commercial Multi-Family	1,417,842	1,335,147	1,337,722	1,331,188	1,326,307	1,336,457
Office/Retail Property	3,066,320	2,979,542	2,832,476	2,781,784	2,806,441	2,891,476
Other Commercial	679,893	621,746	585,345	558,318	562,198	589,465
Public Service Corporation ^{/1}	677,844	624,723	599,784	589,447	589,222	611,029
Total ^{/2}	<u>11,243,911</u>	<u>11,026,978</u>	<u>10,818,324</u>	<u>10,837,314</u>	<u>10,942,274</u>	<u>11,170,803</u>
Residential Single Family	34.8%	35.8%	36.6%	37.4%	37.9%	38.0%
Residential Condominium	13.2%	13.7%	13.9%	14.0%	13.8%	13.4%
Commercial Multi-Family	12.6%	12.1%	12.4%	12.3%	12.1%	12.0%
Office/Retail Property	27.3%	27.0%	26.2%	25.7%	25.6%	25.9%
Other Commercial	6.0%	5.6%	5.4%	5.2%	5.1%	5.3%
Public Service Corporation ^{/1}	6.0%	5.7%	5.5%	5.4%	5.4%	5.4%
Total ^{/3}	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Residential	48.04%	49.57%	50.50%	51.46%	51.71%	51.41%
Commercial	51.96%	50.43%	49.50%	48.54%	48.29%	48.59%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Sources: Assessment values are from the 1992-2003 Real Property Assessment Reports.

/1 -- 1992- 02 Certified Assessments from Public Service Corp. Land Book --
City of Alexandria. 2003 figures are estimated.

/2 -- Individual columns may not sum to the totals shown due to rounding.

/3 -- Figures in individual categories may not total 100% due to rounding.

/4-- 1992 assessments include \$188.5 million in non-locally assessed railroad property
subject to litigation.

/5-- 1993 assessments include \$106.6 million in non-locally assessed railroad property
subject to litigation.

Real Estate Assessments by Calendar Year

(Amounts in Thousands)

	1998	1999	2000	2001	2002 ^{/4}	2003
Residential Single Family	4,387,491	4,657,845	5,119,264	5,830,209	6,791,096	8,384,771
Residential Condominium	1,495,305	1,511,210	1,597,678	1,743,688	2,098,194	2,770,577
Commercial Multi-Family	1,376,604	1,500,100	1,584,496	1,734,225	2,004,540	2,320,186
Office/Retail Property	3,094,323	3,318,516	3,744,874	4,061,051	4,155,509	4,683,112
Other Commercial	630,872	553,705	608,320	598,139	421,220	508,050
Public Service Corporation ^{/1}	620,694	646,144	640,676	665,038	662,430	681,555
Total ^{/2}	<u>11,605,290</u>	<u>12,187,520</u>	<u>13,295,308</u>	<u>14,632,349</u>	<u>16,132,989</u>	<u>19,348,251</u>
Residential Single Family	37.8%	38.2%	38.5%	39.8%	42.1%	43.3%
Residential Condominium	12.9%	12.4%	12.0%	11.9%	13.0%	14.3%
Commercial Multi-Family	11.9%	12.3%	11.9%	11.9%	12.4%	12.0%
Office/Retail Property	26.7%	27.2%	28.2%	27.8%	25.8%	24.2%
Other Commercial	5.4%	4.5%	4.6%	4.1%	2.6%	2.6%
Public Service Corporation ^{/1}	5.3%	5.3%	4.8%	4.5%	4.1%	3.5%
Total ^{/3}	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Residential	50.62%	50.52%	51.76%	55.10	57.66%	
Commercial	49.31%	49.38%	49.48%	48.24%	44.90	42.34%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Sources: Assessment values are from the 1992-2003 Real Property Assessment Reports.

/1 -- 1992-02 Certified Assessments from Public Service Corp. Land Book --
City of Alexandria. 2003 figures are estimated.

/2 -- Individual columns may not sum to the totals shown due to rounding.

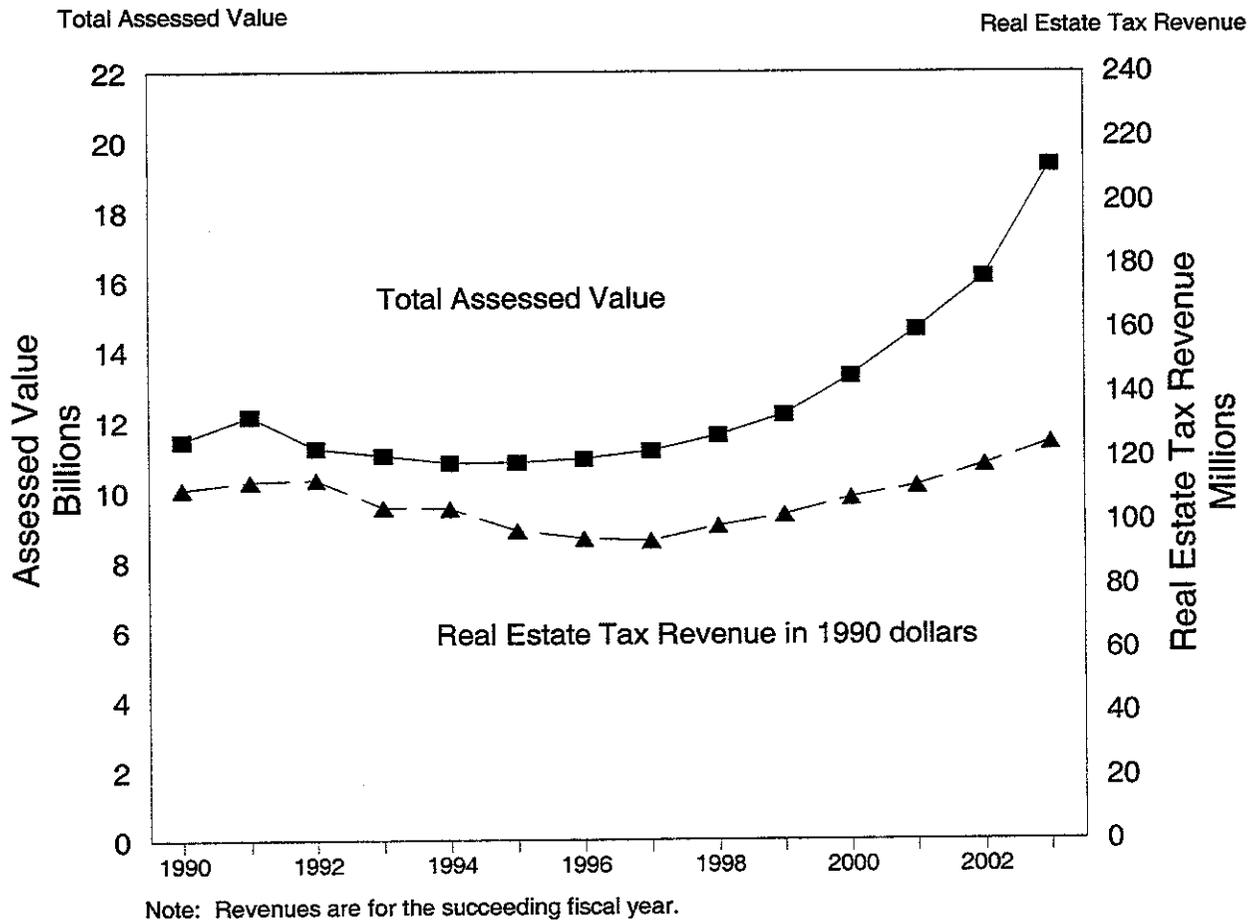
/3 -- Figures in individual categories may not total 100% due to rounding.

/4 -- 2002 data has been revised from the FY2003 document and reflects equalized data as of 12/31/2002.

Real Property Assessments Compared To Real Property Tax Revenues

Tax Years 1990 - 2003

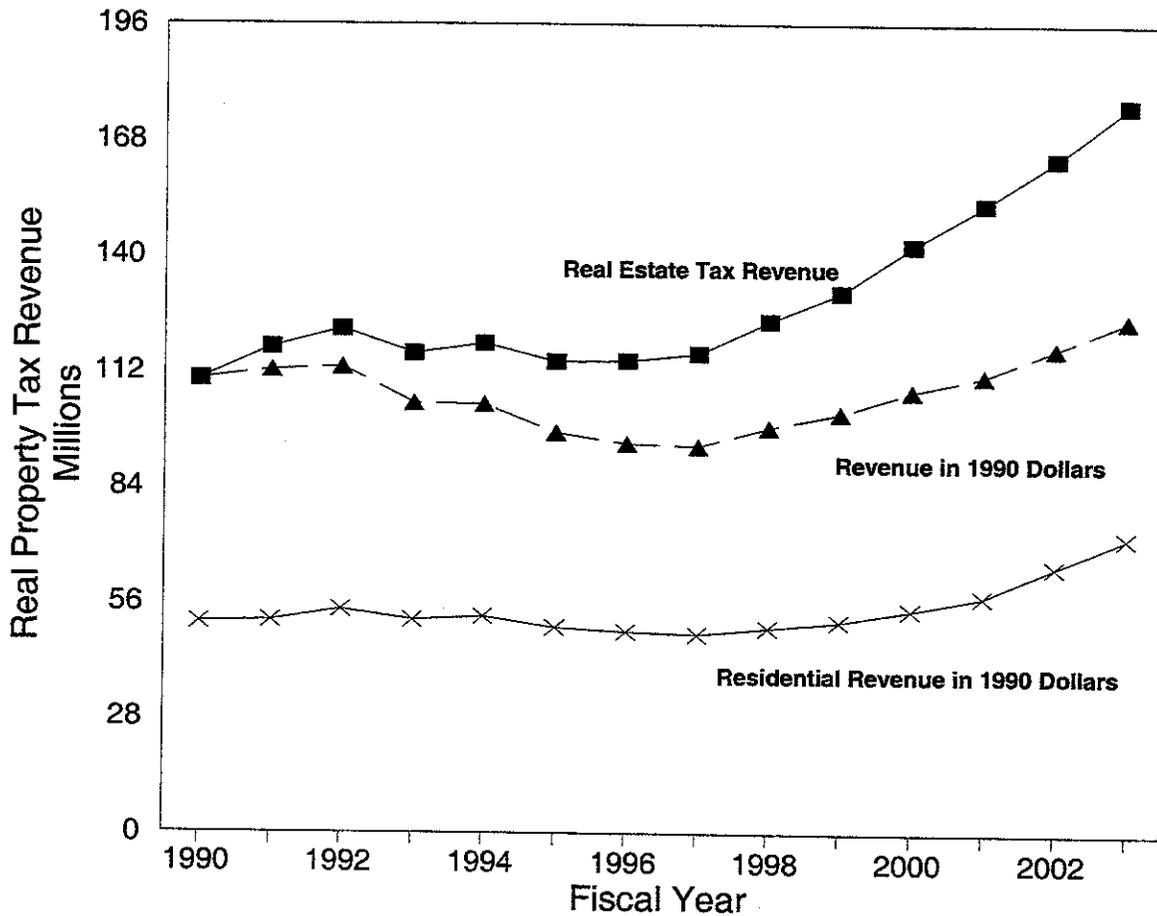
The following graph depicts the impact of real property tax rate increases on real property tax revenues. Adjusting for inflation, real property tax revenues would have increased from \$112.2 million in 1990 to \$124.4 million in 2002, for an average annual real dollar increase of 0.86 percent. In FY 2004, real property revenue would have been \$140.3 million in 1990 dollars. Actual real property revenues for FY 2004, which reflect the assessed value of tax year 2003, are projected to be \$203.2 million.



Real Property Tax Revenue as Compared to Inflation

FY 1990 - FY 2003

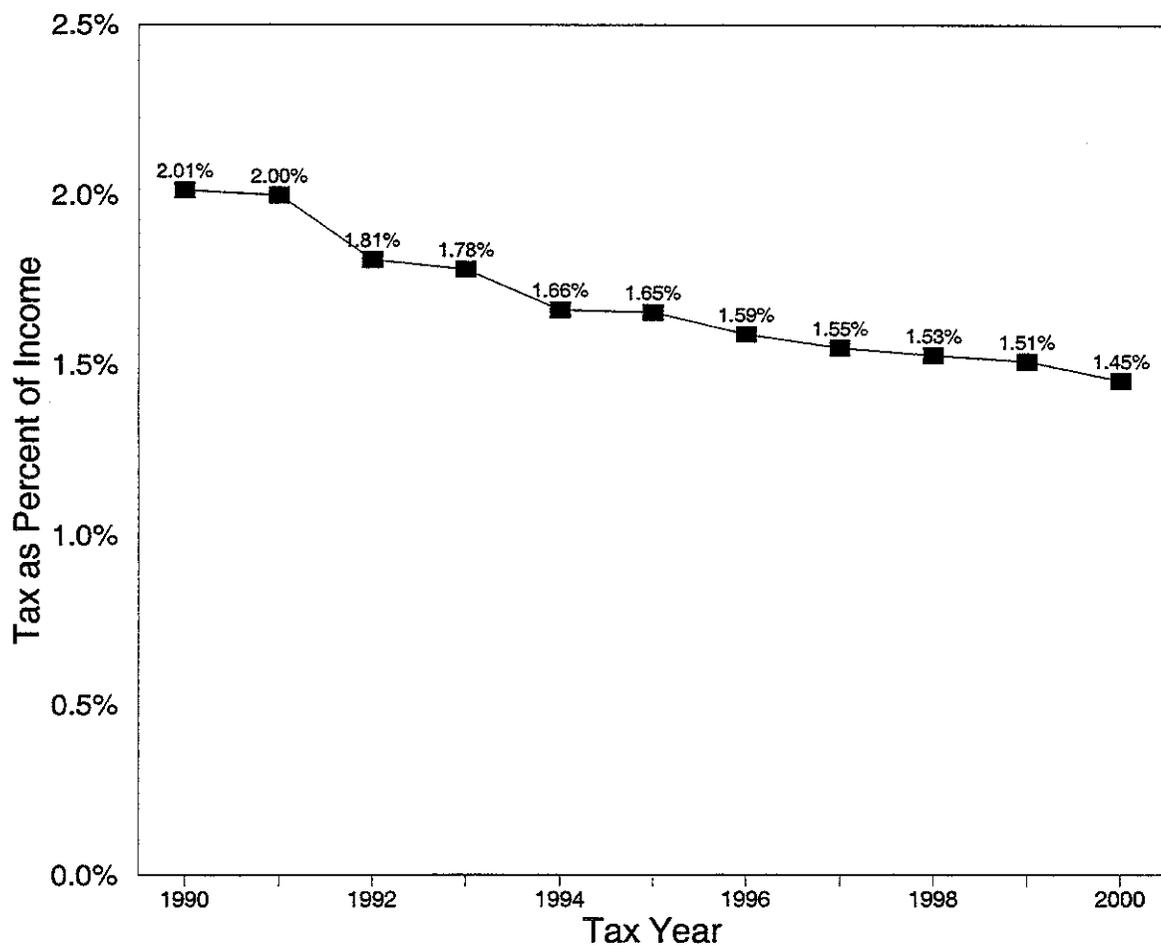
This graph shows the impact of inflation on real property tax revenues. The middle line in the graph shows real property tax revenues in constant 1990 dollars. As shown in the bottom line on this graph, which represents residential real property tax revenues in constant 1990 dollars, over the long-term residential real property tax revenue has only begun increasing significantly in the last couple of years after adjusting for inflation and tax rate changes.



Per Capita Residential Real Estate Tax Revenue

Tax Years 1990 - 2000¹

This graph depicts the proportion of City resident personal income that goes to pay the real property tax. For purposes of this graph, residential tax revenues include real property taxes generated by single family homes, condominiums and apartments (multi-family housing²). As shown in the graph, the real property tax burden has declined as a proportion of income since 1990.



¹ Per capita income figures for 2000 are the most recent available at the time of printing.

² The City usually classifies apartments as commercial property because they are income-producing properties.

FY 2004 Proposed Tax Rates for Major Revenue Sources

	<u>City Proposed Rate</u>	<u>Virginia Code Reference</u>	<u>Maximum Tax Rate Allowed by State</u>
Real Estate Tax	\$1.05 per \$100 assessed value	58.1-3200	none
Personal Property Tax	\$4.50 per \$100 assessed value (machinery and tools)	58.1-3507	none
	\$4.75 per \$100 assessed value (tangible pers. prop.)	58.1-3506-b	none
	\$3.55 per \$100 assessed value (handicap vehicles)	58.1-3506.1	none
Utility Tax (for residential users)	15% of water service charge	58.1-3814	20% on 1st \$15
	25% of local service charge for telephone	58.1-3812	20% on 1st \$15
(\$2.40 maximum)	\$1.12 plus \$.012075 of each KWh	58.1-3814	\$3.00
(\$2.40 maximum)	\$1.28 plus \$0.124444 of each CCF of gas delivered	58.1-3814	\$3.00
(\$2.40 maximum)	\$1.28 plus \$0.050909 of each CCF of gas delivered to group meter consumers (\$2.40 max)	58.1-3814	\$3.00
	\$1.28 plus \$.023267 of each CCF of gas delivered to group meter interruptible consumers (\$2.40 max)	58.1-3814	\$3.00
(for commercial users)	15% of first \$150 of water service charge		20%
	25% of the first \$150 (on local phone service only)	58.1-3812	20%
(Commercial consumer)	\$0.97 plus \$0.004610 of each kWh delivered	58.1-3814	various
(Industrial consumer)	\$0.97 plus \$0.003755 of each kWh delivered	58.1-3814	various
(Commercial or industrial)	\$1.42 plus \$0.050213 of each CCF of gas delivered	58.1-3814	various
(Non-residential consumer)	\$4.50 plus \$0.00367 of each CCF of gas delivered	58.1-3814	various
Business and Professional Licenses		58.1-3700	
Gross Receipts Greater than \$10,000 and less than \$100,000	\$50.00	58.1-3703	\$50.00
Amusement and Entertainment	\$.36 per \$100 gross receipts	through	\$0.36
Professional	\$.58 per \$100 gross receipts	58.1-3735	\$0.58
Renting of Residential Property	\$.50 per \$100 gross receipts		**
Renting of Commercial Property	\$.35 per \$100 gross receipts		**
Finance Services	\$.35 per \$100 gross receipts	58.1-3706	\$0.58
Personal, Business and Repair Svcs	\$.35 per \$100 gross receipts		\$0.36
Retail Merchants	\$.20 per \$100 gross receipts		\$0.20
Restaurants	\$.20 per \$100 gross receipts		\$0.20
Filling Stations	\$.20 per \$100 gross receipts		\$0.20
Contractors	\$.16 per \$100 gross receipts		\$0.16
Wholesale Merchants	\$.05 per \$100 of purchases		\$0.05
Alcoholic Beverages	\$5-\$1,500-(flat fee assessed as part of business license for sales of alcoholic beverages; fee is dependent upon seating capacity and/or type of license)	4.1-233	various
Public Utilities:			
Telephone Co	\$1.03 per \$100 gross receipts	58.1-2690	**
Telegraph Co	\$2.00 per \$100 gross receipts	58.1-2690	**
Water, heat, electric and gas	\$.50 per \$100 gross receipts	58.1-3731	\$0.50
E-911 Tax	\$.50 per line per month	58.1-3813	allow cost recovery
Telecommunications Right of Way Tax	\$.60 per line per month	56-468.1	minimum of \$.50 per line per month; annual rate calc. by VDOT
Cigarette Tax	\$.50 on each package of twenty cigarettes	58.1-3840	none
Daily Rental Tax	1.0% of gross receipts	58.1-3510.1	1%
Local Sales Tax	1.0% added to the rate of the State tax imposed	58.1-605	1%
Transient Lodging Tax	5.5% of total amount paid for room rental, plus \$1 per night lodging fee	58.1-3840	none
Restaurant Meal Tax	3.0% on all food and drink sold in the City	58.1-3840	none
Recordation Tax:			
Deed of Bargain and Sale			
Grantor	\$.50 per \$1,000 of sales price (equals State max)	58.1-3800	1/3 of State Chrgs
Grantee	\$.50 per \$1,000 of sales price (equals State max)	58.1-3800	1/3 of State Chrgs
Deed of Trust	\$.50 per \$1,000 of loan amount (equals State max)	58.1-3800	1/3 of State Chrgs
Tax Penalty	10% or \$10, whichever is greater	58.1-3916	10% or \$10
Tax Interest	10% per annum until January 1, 2000 after January 1, 2000 10% per annum for 1 st year, 5% per annum thereafter. Equals refund rates.	58.1-3916	10%

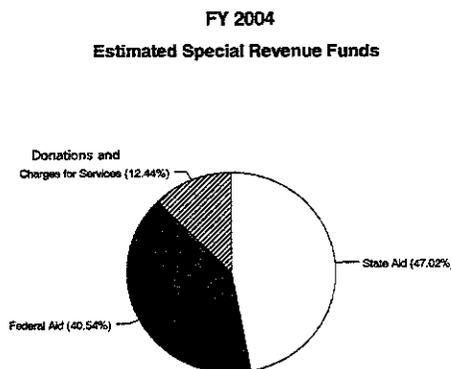
** The City's existing tax rate exceeds the State cap. The State cap was established after the City had set this rate.



GRANT FUNDING SUMMARY AND SPECIAL REVENUE FUNDS

Grant Funding Summary and Special Revenue Funds

Special Revenue Funds account for revenue derived from specific sources (other than capital projects) that are restricted by legal and regulatory provisions to finance specific activities. As shown in the graph titled "FY 2004 Estimated Special Revenue Funds," the City's Special Revenue Fund budget of \$74,231,628 consists primarily of State and federal aid and discretionary State and federal grants (87.6 percent). This compares to the FY 2003 initial Special Revenue Fund budget of \$74,425,612. This analysis does not reflect one time federal aid of \$10.0 million received for public safety agencies in FY 2003 (\$8.0 Byrne Grant and \$2.0 U. S. Marshal's office). The \$193,984 decrease (\$1.3 million decrease to the City as the Schools increased by \$1.1 million) is partially attributable to decreased estimated State revenues in Human Services of \$1,868,084, \$779,372 in the Schools, and \$596,543 in Mental Health, Mental Retardation, and Substance Abuse; partially offset by increased estimated federal revenue of \$886,168 in Human Services, \$1,855,038 in the Schools, as well as additional anticipated CDBG funding of \$282,000 in the Office of Housing.



The City Council approves, in advance, department and agency applications for discretionary grant funding. Programs and services funded by grant monies are authorized only for the term of the grant. Likewise, positions that are funded by grant sources are authorized only for the term of the grant and employees who fill these positions are notified of this condition of employment.

The table below summarizes the estimated FY 2004 Special Revenue Funds by department. Additional addendum tables have been included to provide more detailed information on federal funding for the Department of Mental Health, Mental Retardation and Substance Abuse (Addendum Table I) and the Department of Human Services (Addendum Table II). Estimates of Special Revenue Funds are based on the best available data at the time the budget is prepared. Generally, three to four times during the fiscal year, staff return to City Council with a supplemental appropriations ordinance to amend the Special Revenue Fund budget to reflect actual grant awards, to appropriate grants received that were not anticipated at the time the budget was prepared, to reduce the budget for grants that were anticipated but not actually awarded, or to appropriate donations or other sources of funding that differ from the original budget estimates. For additional information on grant funded activities, please refer to the individual department's budget chapter in this document.

Grant Funding Summary and Special Revenue Funds

FY 2004 ESTIMATED SPECIAL REVENUE FUNDS

Department	State Aid	Federal Aid	Charges, Donations and Other Sources	Total Special Revenue Funds
Commonwealth's Attorney's Office	0	\$390,766 ^a	0	\$390,766
Law Library	0	0	\$55,000 ^b	55,000
Other Public Safety	\$198,333 ^c	0	0	198,333
Court Services	113,570 ^d	0	0	113,570
Citizen Assistance	0	0	5,400 ^e	5,400
Office On Women	39,087 ^f	334,224 ^g	24,475	397,786
Personnel	0	0	6,000 ^h	6,000
Fire	263,000 ⁱ	29,000 ^j	206,152 ^k	498,152
Police	0	119,746 ^l	30,000 ^m	149,746
Sheriff	429,097 ⁿ	523,872 ^o	272,154 ^p	1,225,123
Health	0 ^q	0	0	0
MH/MR/SA	3,454,817	2,297,937	4,961,862	10,714,616 ^r
Human Services	8,401,071	15,223,676	250,820	23,875,567 ^s
Housing	0	2,032,000 ^t	31,746 ^u	2,063,746
Historic Alexandria	0	0	238,395	238,395
Recreation	5,000 ^v	112,118 ^w	38,000	155,118
Library	203,159	0	166,983	370,142
T&ES	168,482 ^x	43,730 ^y	174,008 ^z	386,220
Human Rights	0	25,000 ^{a1}	0	25,000
Schools	21,627,134	8,958,863	2,776,951 ^{a2}	33,362,948
TOTAL	\$34,902,750	\$30,090,932	\$9,237,946	\$74,231,628

Grant Funding Summary and Special Revenue Funds

Notes:

- /a Includes \$191,130 for the federal grant for the Victim-Witness Program, \$64,944 for V-Stop Domestic Violence Intervention grant; and \$134,692 for the Community Prosecution grant.
- /b Court assessed Law Library filing fees.
- /c Virginia Juvenile Community Crime Control Act, which funds the Sheltercare program.
- /d Virginia Juvenile Community Crime Control Act monies, which funds the Day Reporting Program and other small programs.
- /e Donations for the Gyumri Sister City program.
- /f Includes \$8,500 for Project STEPOUT/ MANHOOD, \$11,200 for the State Shelter Support grant, and \$19,387 for the Rape Victim Companion grant.
- /g Includes \$82,652 for the Rape Victim Companion grant, \$7,582 for the federal Shelter Support grant, \$167,286 for the Domestic Violence Program, \$46,512 for the V-STOP/ Sexual Assault Response and Awareness Program (SARA), and \$30,192 for the Violence Against Women Act grant.
- /h Mann Municipal Education Charitable Trust Fund, which funds selected education courses for City employees.
- /i Includes \$153,000 for Fire Suppression Programs, \$15,000 for Public Education, and \$95,000 for Emergency Services.
- /j Federal grant for Emergency Management Assistance Program.
- /k \$203,652 from fee revenue related to the U.S. Patent and Trademark Office (PTO) and \$2,500 in smoke alarm donations.
- /l Includes \$119,476 for the federal share of the Advanced Generation Interoperability for Law Enforcement (AGILE) project.
- /m Reimbursement for overtime expenditures from the Northern Virginia Regional Crack Task Force.
- /n For the Comprehensive Community Corrections Act (CCCA) programs and Pre-Trial Services Act (PSA) grant.
- /o Federal funding for temporary perimeter security at the Public Safety Center is planned.
- /p Program fees for the Alexandria Alcohol Safety Action Program (AASAP).
- /q It should be noted that State funding for the Health Department does not pass through the City's Treasury; therefore, this funding is not reflected in this table. For additional information, please refer to the Health Department section of this budget.
- /r For a description of the federally funded grants for this department, please refer to Addendum Table I in this section of the budget document.
- /s For a description of the federally funded grants for this department, please refer to Addendum Table II in this section of the budget document.
- /t Includes \$671,000 in federal HOME monies and \$1,361,000 in Community Development Block Grant (CDBG) monies (see the description following these tables for information regarding the federal CDBG program).
- /u Includes \$21,157 for the repayment of principal and interest from the Business Assistance Loan Program, \$7,889 in repayment of principal and interest from the HOME Loan Program, and \$2,700 in donations.
- /v The Local Government Challenge Grant.
- /w U.S. Department of Agriculture Summer Food service program.
- /x Includes \$140,080 for the Ridesharing Grant, and \$28,402 for the Transit Services Employer Outreach Program.
- /y Federal Air Quality Grant.
- /z U.S Patent and Trademark Office (PTO) Development Fee Revenue.
- /a1 Equal Employment Opportunities Commission Grant.
- /a2 Reflects all federal, State and private or local funding sources, supporting the Schools operating budget, the Schools Lunch Fund and all Federal Grants and Special Projects, but does not include transfers from the General Fund Balance of \$1,592,324 or the School Lunch Fund Balance of \$381,097.

Grant Funding Summary and Special Revenue Funds

Addendum Table I
 Department of Mental Health/Mental Retardation/Substance Abuse
 Federally Grant-Funded Programs

	FEDERAL GRANT	FY 2004 PROPOSED BUDGET ESTIMATE
Mental Health (MH) Programs	Block Grant for Community Mental Health Services--Serious Emotionally Disturbed (Children)	\$258,488
	Block Grant for Community Mental Health Services--Serious Mental Illness (Adults)	399,975
	Block Grant for Community Mental Health Services--Psychiatrists	4,169
	Block Grant for Community Mental Health Services--Performance Outcome Measurement System	10,000
	Projects for Assistance in Transition from Homelessness	35,575
	Welfare TANF Foster Care (Title IV E)	143,000
	Unification/Stabalization of Families	10,000
	MH & SA Programs	U.S. Department of Housing and Urban Development
Substance Abuse (SA) Programs	Substance Abuse Residential Purchase of Services (SARPOS)	137,284
	Substance Abuse Federal Block Grant-Alcohol Treatment	209,495
	Substance Abuse Federal Block Grant-Drug Treatment	262,913
	Substance Abuse Federal Block Grant-Primary Prevention	209,000
	Substance Abuse Prevention and Treatment-HIV/AIDS	70,470
	Ryan White CARE Act Title I	40,828
	High Intensity Drug Trafficking Area Treatment Grant--Residential and Outpatient	109,069
Mental Retardation Programs	Grants for Infants and Toddlers with Disabilities	138,064
	Total Federal Grants	\$2,297,937

Grant Funding Summary and Special Revenue Funds

Addendum Table II
Department of Human Services Federally Grant-Funded Programs

FEDERAL GRANT	FY 2004 PROPOSED BUDGET ESTIMATE
Welfare Administrative Cost	\$ 135,475
Welfare Income Maintenance Eligibility	2,027,678
Welfare Clerical Cost Pool	263,000
Welfare Refugee Assistance Resettlement	105,000
Welfare Adult Child Services	2,317,790
Welfare Aid to Dependent Children	60,060
Welfare TANF Foster Care	710,334
Welfare Adoption Subsidy	173,386
Welfare Purchased Services	540,607
Child Day Care Supplemental	2,173,500
Older Americans Act	145,160
Home Delivered Meals	67,243
Congregate Meals	64,124
In-Home Services to the Elderly	226,011
WIA Summer Youth Program	126,286
Head Start	1,740,860
Transitional Apartment Planning & Eviction Storage (CDBG)	172,000
Community Services Block Grant (CSBG\BASIC)	215,196
Virginia Refugee Resettlement Program (VRRP)	92,000
WIA Adult Training	299,888
Food Stamp Employment Program	54,738
WIA Dislocated Worker	85,752
Employment Services\VIEW Program	474,741
Foster Parent Training	105,868
Metro Regional	148,892
9-11 National Emergency	847,794
Title IV E Revenue Maximization	686,696
Reasonable/Necessary Revenue Maximization	840,608
Quality Enhancement	62,500
All other Federal grants (includes individual program grants under \$50,000)	260,489
Total Federal Grants	\$15,223,676

Community Development Block Grant

In accordance with the Housing and Community Development Act of 1974 (Public Law 93-383, commonly known as the Community Development Block Grant), the City of Alexandria has received \$36,638,000 through FY 2004 to develop viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income levels. The City's recommended FY 2004 allocation is \$1,533,000.

The program outlined on the following page is the proposed FY 2004 CDBG program. The proposed FY 2004 program will be funded, in part, with CDBG funds and program income carried over from previous years.

For additional information on community development, housing assistance, and homeless prevention programs, refer to the Office of Housing and the Department of Human Services budgets in Section VIII of this document.

Community Development Block Grant

I. COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS ALLOCATED TO ALEXANDRIA THROUGH FY 2004

<u>CITY CDBG PROGRAM YEAR</u>	<u>FISCAL YEAR</u>	<u>AMOUNT</u>
1	1976	\$1,735,000
2	1977	1,735,000
3	1978	1,735,000
4	1979	1,587,000
5	1980	1,550,000
6	1981	1,556,000
7	1982	1,497,000
8	1983	1,280,000
9	1984	1,207,000
10	1985	1,144,000
11	1986	1,134,000
12	1987	966,000
13	1988	970,000
14	1989	914,000
15	1990	950,000
16	1991	903,000
17	1992	1,009,000
18	1993	1,069,000
19	1994	1,077,000
20	1995	1,172,000
21	1996	1,302,000
22	1997	1,265,000
23	1998	1,237,000
24	1999	1,206,000
25	2000	1,213,000
26	2001	1,206,000
27	2002	1,245,000
28	2003	1,241,000
29	2004	1,533,000
Total		\$36,638,000

Community Development Block Grant

II. TWENTY-NINTH YEAR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (FY 2004 Proposed)

Revenue Category

FY 2004 Funds Available CDBG		\$ 1,533,000
Carryover Funds (Prior Year CDBG Grant Funds)	149,680	
FY 2004 Program Income		<u>21,157</u>
Total Program Revenues		<u>\$1,703,837</u>

Expenditure Category

A. Potomac East and Potomac West Programs:

Blighting Influences Program	<u>120,489</u>	
Potomac East and Potomac West Programs		\$120,489

B. Homeownership Assistance Program	109,292	
Home Rehabilitation Loan Program	880,042	
Fair Housing Testing Program	46,172	
Rental Accessibility Modification	156,277	
Winter Shelter	20,000	
Transitional Assistance Program	82,000	
Eviction Assistance and Furniture	<u>70,000</u>	
City-wide Programs Sub-Total		\$1,363,783

C. Administration

Program Administration	204,065	
Applications for Federal Programs	<u>15,500</u>	
		\$219,565

Total Program Expenditures \$1,703,837

Net General Fund Budget for CDBG Programs \$ 0

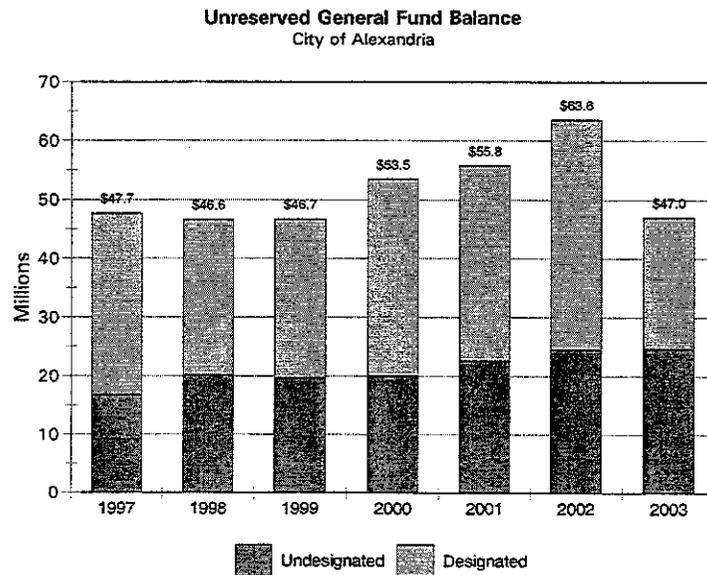


Statement Of Estimated General Fund Balance

Unreserved General Fund Balance is the accumulated total of all prior years' actual General Fund revenues in excess of expenditures — often referred to as "surplus" — that is available for appropriation by City Council. This is in comparison to the Reserved General Fund Balance which represents monies that have been reserved to pay for legal obligations of the City such as for purchase order encumbrances. Maintaining a prudent level of unreserved General Fund balance is critical to ensuring that the City is able to cope with financial emergencies and fluctuations in revenue cycles. General Fund balance also provides working capital during temporary periods when expenditures exceed revenues.

The graph below shows total actual unreserved and undesignated General Fund balance from FY 1997 through FY 2002, and projected fund balance at the close of FY 2003. As shown in the chart, after nearly four years of declining fund balance, in FY 2000 the City had replenished unreserved fund balance to its highest level since FY 1996. As proposed, the budget recommends use of a certain portion of fund balance for capital projects, in addition to pay-as-you-go capital funding. Projected unreserved fund balance (the total amount available for appropriation, regardless of designations) is estimated to be \$47.0 million at June 30, 2003, which represents 12.8 percent of FY 2003 projected General Fund revenues. The City Council's adopted debt policies indicate that unreserved General Fund balance that is comparable to the ratio maintained by other double triple-A rated jurisdictions is desirable, but it is not to fall below 10 percent of General Fund revenues. In order to maintain the current level of undesignated fund balance into future years, the "pay-as-you-go" portion of capital projects will need to be funded largely out of current revenues in future years, rather than relying extensively on the one-time revenue source of fund balance to meet capital needs without additional borrowing.

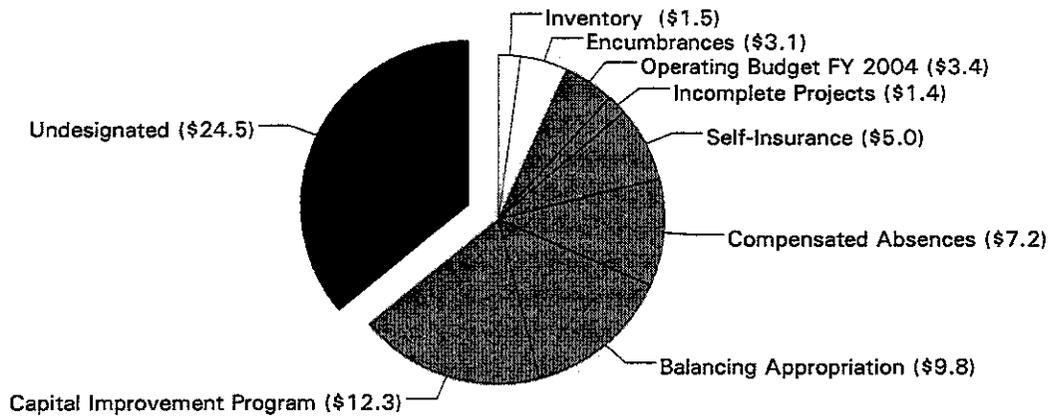
The City Council's adopted debt-related financial policies are reproduced in the appendices section of this document. The debt policies are followed by a Layperson's Guide to Fund Balance based on the report prepared by the Budget and Fiscal Affairs Advisory Committee.



City of Alexandria General Fund Fund Balance

This pie chart shows all of the component parts of General Fund balance (reserved, designated and undesignated) as of June 30, 2002.

Fund Balance as of June 30, 2002 \$68.2 million



Reserve monies - not available for appropriation.

The remaining components of fund balance comprise unreserved fund balance.

Designated monies - These designated reserves are to help the City offset the cost of the specific type of obligation for which the funds are earmarked. Although technically available for appropriation, these monies are generally considered available to fund other program or service requirements by the City Manager or the City Council under the City's adopted financial policies.

Undesignated - This is the amount of money generally considered to be the City's reserve fund.

Statement of Estimated General Fund Balance

City Council's debt related financial policies, originally adopted in June 1987, and subsequently reaffirmed and updated on December 9, 1997, established a limit of 4 percent and a target of 5.5 percent for undesignated General Fund balance as a percentage of General Fund revenue, and established a lower limit of 10 percent for unreserved General Fund balance as a percentage of General Fund revenue. Designated fund balance are reserves funds "earmarked" to help the City offset the cost of a specific type of obligation. Although technically available for appropriation, these monies are not generally considered available to fund other program or service requirements by the City Manager or the City Council under the City's adopted financial policies. Undesignated fund balance is the amount of money considered to be the City's reserve fund. As with all monies in fund balance, it is a one-time source of revenue.

Reflecting City Council's priorities in setting aside resources for contingencies and other specific purposes, unreserved General Fund fund balance includes the following designated resources at June 30, 2002:

- \$9,816,624 appropriated in fiscal year 2002 to balance the fiscal year 2003 budget as approved by City Council;
- \$3,384,096 to help fund the FY 2004 proposed operating budget;
- \$5,000,000 to cover possible costs of the City's self-insurance program covering general liability, motor vehicle liability and workers compensation (previously approved in the context of discussions on the self-insurance program);
- \$7,208,635 to cover approximately 50% of the estimated liability for the City's compensated absences. This designation category was originally designed in FY 1990 to mitigate the anticipated effects of changes in the financial reporting model which was eventually adopted by the Government Accounting Standards Board (GASB) in June 1999;
- \$12,300,000 for capital expenditures, designated for capital projects contained in prior Capital Improvement Program budgets (CIP); and
- \$1,375,987 for operating fund projects that are incomplete as of June 30, 2002.

After accounting for these designations, undesignated General Fund fund balance at June 30, 2002 was \$24,545,582. The \$24.5 million in the undesignated fund balance was equal to 6.8 percent of FY 2002 actual General Fund revenues, compared with a floor of 4 percent and a target of 5.5 percent, as established by City Council's debt related financial policies. Unreserved fund balance as of June 30, 2002, of \$63.6 million was equal to 17.6 percent of FY 2002 actual General Fund revenues, compared with a City Council-established lower limit of 10 percent.

Statement of Estimated General Fund Balance

Designations in the Proposed Fiscal Year 2004 Budget

In the fiscal year 2004 operating budget, the City Manager proposes the following changes in designations:

- The appropriation from fund balance required to balance the FY 2004 budget is \$6,000,000. As shown in the Statement of Estimated Undesignated Fund Balance, there was a designation as of June 30, 2002, of 3,384,096. The FY 2004 balancing appropriation results in an increase in the designation for the upcoming budget of \$2,615,904, from \$3,384,096 designated in FY 2002 to \$6,000,000 designated for the fiscal year 2004 budget; and
- \$4,200,000 to fund capital projects contained in the FY 2004-2009 Capital Improvement Program.

Based on projected revenues and expenditures in fiscal year 2004, the undesignated General Fund balance at June 30, 2003 is currently estimated to be \$24,566,542, or 6.7 percent of projected FY 2003 General Fund revenues; and the unreserved General Fund balance is estimated to be \$46,975,134, or 12.8 percent of projected General Fund revenues.

Statement of Estimated Undesignated Fund Balance

at June 30, 2003

Components: Unreserved Fund Balance (Note: columns 1 plus 2 equal total unreserved fund balance)			
	(1) Undesignated Fund Balance	(2) Designations	(3) Unreserved Fund Balance
Fund Balance as of June 30, 2002 (per Comprehensive Annual Financial Report)	\$24,545,582	\$39,085,342	\$63,630,925
Add to total fund balance the projected variance in General Fund revenues for FY 2003/*	4,436,820		4,436,820
Add to total fund balance the projected variance in General Fund expenditures for FY 2003	2,400,000		2,400,000
Less: Expected expenditure of unreserved fund balance designated in FY 2002 for events occurring subsequent to June 30, 2002			
Capital projects designation		(12,300,000)	(12,300,000)
Incomplete Operating Fund Projects		(1,375,987)	(1,375,987)
FY 2003 balancing appropriation		(9,816,624)	(9,816,624)
Changes in Designations at June 30, 2002 (These changes in designations do not impact unreserved fund balance.)			
Add: Net required balancing appropriation for the FY 2004 operating budget /**	(\$2,615,904)	\$2,615,904	
Less: Recommended additional designation for capital projects contained in the FY 2004-FY 2009 Capital Improvement Program beyond \$12.3 million previously designated	(\$4,200,000)	4,200,000	
Sum of above changes to show Estimated Fund Balance at June 30, 2003	<u>\$24,566,498</u>	<u>\$22,408,635</u>	<u>\$46,975,134</u>
Estimated Fund Balance as % of FY 2003 General Fund Revenue	6.7%		12.8%
Target per financial policies	5.5%		10.0%

Notes:

/* FY 2003 projected variance based on projected FY 2003 revenues of \$378,359,024 less the FY 2003 Approved revenue budget of \$373,922,204, for a net positive variance of \$4,436,820.

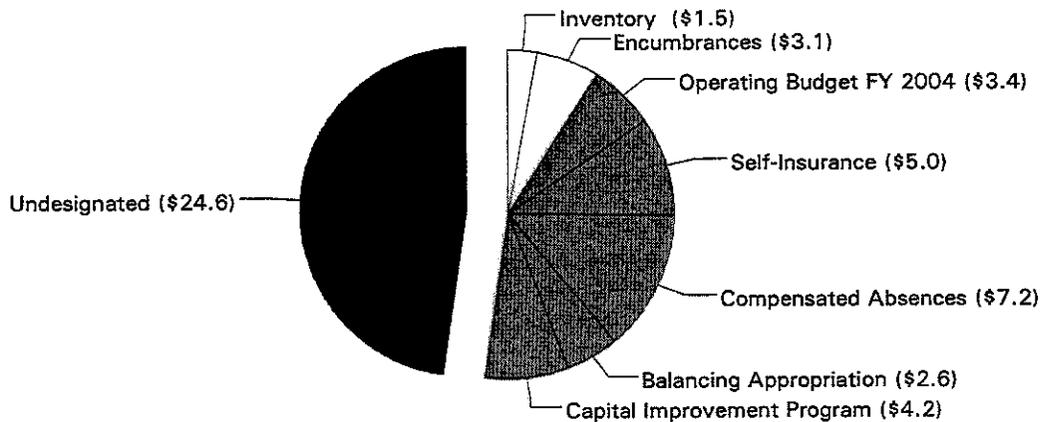
** \$3,384,096 is included in the designations as of June 30, 2002. This designation combined with \$2,615,904 results in the \$6,000,000 designation required to balance the FY 2004 operating budget.

City of Alexandria General Fund

Estimated Fund Balance

This pie chart shows all of the component parts of the Statement of Estimated General Fund balance (reserved, designated and undesignated) as of June 30, 2003.

Fund Balance as of June 30, 2003 \$51.6 million



 Reserve monies - not available for appropriation (estimated).

The remaining components of fund balance comprise unreserved fund balance.

 Designated monies - These designated reserves are to help the City offset the cost of the specific type of obligation for which the funds are earmarked. Although technically available for appropriation, these monies are generally considered available to fund other program or service requirements by the City Manager or the City Council under the City's adopted financial policies.

 Undesignated - This is the amount of money generally considered to be the City's reserve fund.

Multi-Year Revenue and Expenditure Forecast Scenarios

REVENUE AND EXPENDITURE FORECAST SCENARIOS

Three Scenarios using Low Growth, Mid-Growth & High Growth Revenue Assumptions

The following three tables present revenue and expenditure forecasts for all funds in the City's operating budget, as requested by the Budget and Fiscal Affairs Advisory Committee and as required under the City Council's debt-related financial policies. These forecast scenarios are based on the sets of assumptions detailed below.

It is important to note that in years where the forecast scenario results in a negative variance between projected revenues and projected expenditures, the variance would have to be addressed, and each year's budget balanced, through a reduction in the planned level of expenditures, an increase in revenues (tax or fee increases or new revenue sources) or a combination of these methods. As a result, the cumulative shortfall in the out years of these forecasts will actually never occur.

The expenditure assumptions included in these scenarios remain constant in each of the scenarios, while the revenue assumptions vary. This approach illustrates the sensitivity of maintaining current services and policies with varying rates of revenue growth. In all scenarios, before individual category assumptions have been made, staff assumed a consumer price index (CPI) growth of 2.5 percent per year. It should be noted that the expenditure assumptions included in these scenarios are not meant to be an indication of any commitment to a particular level of planned expenditure increases in future years; rather, these assumptions are meant to illustrate the possible funding choices the City must make in future years in each revenue growth scenario.

The Mid-Range Forecast Scenario represents the most probable outcome of the three scenarios with regard to overall revenue and expenditure growth rates. However, with the many economic and policy variables that would influence revenues and expenditures in the FY 2004 to FY 2009 time period, the bottom line excess or shortfall amounts need to be considered as "order of magnitude" results that will change as the assumed economic and policy variables differ from these long-range projections. In that light, the \$1.6 million shortfall projection in the Mid-Range Forecast Scenario for FY 2005 will have some degree of variability, and because it represents less than 1.0% of total revenues, it should not be a material concern. It does reflect, however (because it is negative), that because of increasing infrastructure demands, school funding needs, fair employee compensation responsibilities, and an "antiquated" tax structure that is tied largely to property taxes, the City will continue to be required to make careful fiscal, programmatic and policy choices in the years ahead. It should also be noted that if severe State and federal budget problems continue, and/or war with Iraq happens that revenue assumptions made in all of these scenarios may be overstated.

The funding gap or surplus forecasts range from a negative \$45.1 million (low growth FY 2009) to a positive \$43.0 million (high growth FY 2009) in FY 2009. This represents only a 15% band in comparison to the total expenditure budget estimate in FY 2009. As a result, the conclusion that one can reach is that the City's finances are sound and will remain sound. However, careful financial management and sound policy decision making will be critical to keeping the City's finances sound over the long term.

ALL SCENARIOS - EXPENDITURES

EXPENDITURE ASSUMPTIONS: (Assumptions remain constant for each revenue scenario)

- (1) FY 2004 expenditures reflect the Proposed FY 2004 budget. All expenditure assumptions build from this base.
- (2) Cash capital expenditures: The projected expenditures from FY 2004-FY 2009 for cash capital are consistent with the Capital Improvement Program Funding Summary presented in the FY 2004-FY 2009 Capital Improvement Program document, which reflects cash capital appropriations to meet planned pay-as-you-go capital funding levels.
- (3) Debt service expenditures: The projected expenditures from FY 2004-FY 2009 for debt service are consistent with the Proposed Capital Improvement Program, which reflects the issuance of \$55 million in additional new General Obligation debt: \$64.7 million in FY 2004, \$48.7 million in FY 2005, \$40.4 million in FY 2006, \$22.6 million in FY 2007, and \$35.7 million in FY 2008. All new debt issuance assumes 20 year issues, with principal payments structured on a phased-in basis, with a true interest cost of approximately 4.50 percent.
- (4) Personnel expenditures — City and Schools:

In FY 2005-FY 2009, City personnel expenditures increase 4.6 percent annually, which is the result of providing funding for a step increase on the declining percentage pay plan for an estimated 75 percent of the City work force not at the maximum salary on the pay scales, a cost of living adjustment (approximately 2.0 percent) in each year, and increasing health insurance costs. Staffing levels in each agency are projected to remain constant at FY 2004 levels.

School personnel expenditures: Schools personnel expenditures increase at the same rate as the City.

- (5) Non-Personnel expenditures — City and Schools:

- (a) City Non-personnel expenditures

In FY 2005-FY 2009, a 3 percent increase is assumed for non-personnel expenditures in all categories except transit subsidies, cash capital and debt service, and as noted below.

Multi-Year Revenue and Expenditures Forecast Scenarios

- Recycling costs in FY 2005 through FY 2009: Due to the increasing cost of refuse disposal at the Waste to Energy plant and the need to maintain a competitive tip fee, the City has not been able to continue to finance its recycling program through a surcharge on the tip fee at the plant. As a result, after the final draw down on tip fee surcharge balances in FY 2004, the City's General Fund revenue needs for recycling are projected to increase in FY 2005 and annually thereafter. This is likely to be recovered by increasing the solid waste fee by approximately \$30, from \$185 to \$215, in FY 2005.
- Transit Subsidies in FY 2005 through FY 2009: Transit subsidies are projected to increase by 5 percent each year due to increased capital and operating needs anticipated at WMATA and DASH due to ridership growth and aging infrastructures.
- Schools Non-personnel expenditures: In each year from FY 2004-FY 2008, Schools non-personnel expenditures are projected to increase at 3 percent, which is the same as City non-personnel increases.

Multi-Year Revenue and Expenditures Forecast Scenarios

ALL SCENARIOS - REVENUE

Three different scenarios of revenue growth for the period of FY 2005 through FY 2009 have been developed based on varying assumptions about future rates of growth for each of the revenue categories listed in the table below. Each scenario is based on FY 2004 proposed tax and fee rates. All projected increases are generated by economic growth or the impact of inflation on goods and services that are taxed. The rate of growth assumed in each category for each scenario is shown below.

Revenue Category	Low Growth	Mid-Range Growth	High Growth
Real Estate Property	3%	5%	7%
Personal Property	3%	5%	7%
Penalties & Interest	1%	3%	5%
Local Sales	3%	5%	7%
Utility	1%	1%	1%
Business License	3%	5%	7%
Motor Vehicle License	1%	1%	1%
Recordation	0%	5%	7%
Tobacco	0%	0%	0%
Transient Lodging	1%	3%	5%
Restaurant Food	3%	4%	5%
Other Miscellaneous	3%	3%	3%
Intergovernmental	0%	3%	5%
Other Non-Tax Revenue	3%	3%	3%
Other Special Revenue	3%	3%	3%
Equipment Replacement Fund	3%	3%	3%

Low Growth Forecast Scenario

	FY 2004 Proposed (1)	FY 2005 Forecast (2)	FY 2006 Forecast (3)	FY 2007 Forecast (4)	FY 2008 Forecast (5)	FY 2009 Forecast (6)
1 General Fund						
2 General property tax revenue						
3 Real property tax	203,167,100	209,262,000	215,539,900	222,006,100	228,666,200	235,526,200
4 Personal property tax	31,684,000	32,634,500	33,613,600	34,622,000	35,660,600	36,730,400
5 Penalties and interest	1,100,000	1,111,000	1,122,100	1,133,300	1,144,700	1,156,100
6						
7 Total general property tax revenue	235,951,100	243,007,500	250,275,600	257,761,400	265,471,500	273,412,700
8						
9 Other Local Tax Revenue	88,113,000	90,114,400	92,170,600	94,283,300	96,454,100	98,684,600
10						
11 Other Non-Tax Revenue	67,975,500	69,188,100	69,912,000	70,657,600	71,425,600	72,216,600
12						
13 Total General Fund Revenues	392,039,600	402,310,000	412,358,200	422,702,300	433,351,200	444,313,900
14 Other Financing Sources (Uses)						
15 Appropriation from Fund Balance						
16 for Operating Budget	6,583,600	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
17						
18						
19 Total General Fund revenues and other	398,623,200	406,310,000	416,358,200	426,702,300	437,351,200	448,313,900
20 sources						
21 Special Revenues & Other Funds						
22 Appropriation from Schools Fund Balance	1,592,300	0	0	0	0	0
23 Other Special Revenue (donations/charges)	74,612,700	76,851,100	79,156,600	81,531,300	83,977,300	86,496,600
24 New Sewer Fee Revenues	0	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
25 Equipment Replacement Fund	4,377,000	4,508,300	4,643,500	4,782,800	4,926,300	5,074,100
26						
27 Total Special Revenue & Other Funds	80,582,000	82,959,400	85,400,100	87,914,100	90,503,600	93,170,700
28						
29 Total Revenues, All Funds	479,205,200	489,269,400	501,758,300	514,616,400	527,854,800	541,484,600
30						
31 EXPENDITURES & OTHER USES						
32						
33 City Personnel	172,938,800	180,894,000	189,215,100	197,919,000	207,023,300	216,546,400
34 City Non-personnel, including Transit	112,169,200	115,727,600	119,402,400	123,197,700	127,117,400	131,166,000
35 Debt service	21,299,500	22,979,700	27,788,800	29,551,600	31,219,500	32,961,700
36 Cash capital	15,100,000	16,000,000	17,000,000	18,000,000	19,000,000	10,600,000
37						
38 Schools Personnel	134,505,700	140,693,000	147,164,900	153,934,500	161,015,500	168,422,200
39 Schools Non-personnel	23,192,000	23,887,700	24,604,400	25,342,500	26,102,800	26,885,800
40						
41 Total Expenditures	479,205,200	500,182,000	525,175,600	547,945,300	571,478,500	586,582,100
42						
43 Excess/(Shortfall) of Revenues and Other	0	-10,912,600	-23,417,300	-33,328,900	-43,623,700	-45,097,500
44 Sources over Expenditures and Other Uses						
45 Note: In reality, the projected deficits would not occur.						
46 Actions would be taken to reduce expenditures or increase revenues.						
47						
48 DEBT SERVICE INDICATORS						
49						
50 Debt as a % of Real Property Assessed Value	1.0%	1.1%	1.2%	1.2%	1.2%	1.1%
51 Debt per capita as a % of per capita income	2.4%	2.7%	2.8%	2.7%	2.7%	2.4%
52 Debt Service as % of General Expenditures	4.4%	4.6%	5.3%	5.4%	5.5%	5.6%
53 Unreserved Fund Balance as a % of General Fund Revenue	12.8%	Not projected				

Proposed
City of Alexandria, Virginia FY 2004 Budget 100

Executive Summary

Mid-Range Growth Forecast Scenario

	FY 2004 Proposed (1)	FY 2005 Forecast (2)	FY 2006 Forecast (3)	FY 2007 Forecast (4)	FY 2008 Forecast (5)	FY 2009 Forecast (6)
1 General Fund						
2 General property tax revenue						
3 Real property tax						
4 Personal property tax	203,167,100	213,325,400	223,991,600	235,191,200	246,950,800	259,298,300
5 Penalties and interest	31,684,000	33,268,200	34,931,600	36,678,200	38,512,100	40,437,700
6	1,100,000	1,133,000	1,167,000	1,202,000	1,238,100	1,275,200
7 Total general property tax revenue	235,951,100	247,726,600	260,090,200	273,071,400	286,701,000	301,011,200
8						
9 Other Local Tax Revenue	88,113,000	91,325,400	94,681,600	98,188,500	101,853,300	105,683,300
10						
11 Other Non-Tax Revenue	67,975,500	70,539,900	72,656,000	74,835,700	77,080,800	79,393,200
12						
13 Total General Fund Revenues	392,039,600	409,591,900	427,427,800	446,095,600	465,635,100	486,087,700
14 Other Financing Sources (Uses)						
15 Appropriation from Fund Balance						
16 for Operating Budget	6,583,600	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
17						
18						
19 Total General Fund revenues and other	398,623,200	415,591,900	433,427,800	452,095,600	471,635,100	492,087,700
20 sources						
21 Special Revenues & Other Funds						
22 Appropriation from Schools Fund Balance	1,592,300	0	0	0	0	0
23 Other Special Revenue (donations/charges)	74,612,700	76,851,100	79,156,600	81,531,300	83,977,300	86,496,600
24 New Sewer Fee Revenues	0	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
25 Equipment Replacement Fund	4,377,000	4,508,300	4,643,500	4,782,800	4,926,300	5,074,100
26						
27 Total Special Revenue & Other Funds	80,582,000	82,959,400	85,400,100	87,914,100	90,503,600	93,170,700
28						
29 Total Revenues, All Funds	479,205,200	498,551,300	518,827,900	540,009,700	562,138,700	585,258,400
30						
31 EXPENDITURES & OTHER USES						
32						
33 City Personnel	172,938,800	180,894,000	189,215,100	197,919,000	207,023,300	216,546,400
34 City Non-personnel, including Transit	112,169,200	115,727,600	119,402,400	123,197,700	127,117,400	131,166,000
35 Debt service	21,299,500	22,979,700	27,788,800	29,551,600	31,219,500	32,961,700
36 Cash capital	15,100,000	16,000,000	17,000,000	18,000,000	19,000,000	10,600,000
37						
38 Schools Personnel	134,505,700	140,693,000	147,164,900	153,934,500	161,015,500	168,422,200
39 Schools Non-personnel	23,192,000	23,887,700	24,604,400	25,342,500	26,102,800	26,885,800
40						
41 Total Expenditures	479,205,200	500,182,000	525,175,600	547,945,300	571,478,500	586,582,100
42						
43 Excess/(Shortfall) of Revenues and Other	0	-1,630,700	-6,347,700	-7,935,600	-9,339,800	-1,323,700
44 Sources over Expenditures and Other Uses						
45 Note: In reality, the projected deficits would not occur.						
46 Actions would be taken to reduce expenditures or increase revenues.						
47						
48 DEBT SERVICE INDICATORS						
49						
50 Debt as a % of Real Property Assessed Value	1.0%	1.1%	1.2%	1.2%	1.2%	1.1%
51 Debt per capita as a % of per capita income	2.4%	2.7%	2.8%	2.7%	2.7%	2.4%
52 Debt Service as % of General Fund Estimated Expenditures	4.4%	4.6%	5.3%	5.4%	5.5%	5.6%
53 Unreserved Fund Balance as a % of General Fund Revenue	12.8%	Not projected				

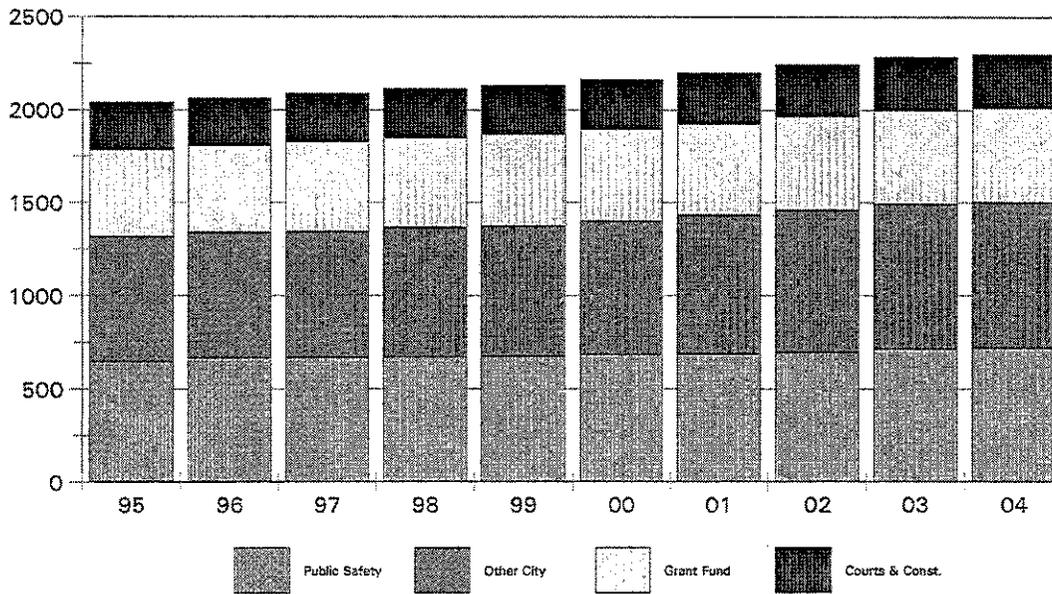
High Growth Forecast Scenario

	FY 2004 Proposed (1)	FY 2005 Forecast (2)	FY 2006 Forecast (3)	FY 2007 Forecast (4)	FY 2008 Forecast (5)	FY 2009 Forecast (6)
1 General Fund						
2 General property tax revenue						
3 Real property tax	203,167,100	217,388,700	232,605,900	248,888,300	266,310,500	284,952,200
4 Personal property tax	31,684,000	33,901,900	36,275,000	38,814,300	41,531,300	44,438,400
5 Penalties and interest	1,100,000	1,155,000	1,212,800	1,273,400	1,337,100	1,403,900
6						
7 Total general property tax revenue	235,951,100	252,445,600	270,093,700	288,976,000	309,178,900	330,794,500
8						
9 Other Local Tax Revenue	88,113,000	92,491,400	97,146,100	102,095,500	107,359,200	112,958,300
10						
11 Other Non-Tax Revenue	67,975,500	71,441,000	74,530,500	77,759,900	81,135,900	84,665,400
12						
13 Total General Fund Revenues	392,039,600	416,378,000	441,770,300	468,831,400	497,674,000	528,418,200
14 Other Financing Sources (Uses)						
15 Appropriation from Fund Balance						
16 for Operating Budget	6,583,600	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
17						
18						
19 Total General Fund revenues and other sources	398,623,200	424,378,000	449,770,300	476,831,400	505,674,000	536,418,200
20						
21 Special Revenues & Other Funds						
22 Appropriation from Schools Fund Balance	1,592,300	0	0	0	0	0
23 Other Special Revenue (donations/charges)	74,612,700	76,851,100	79,156,600	81,531,300	83,977,300	86,496,600
24 New Sewer Fee Revenues	0	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
25 Equipment Replacement Fund	4,377,000	4,508,300	4,643,500	4,782,800	4,926,300	5,074,100
26						
27 Total Special Revenue & Other Funds	80,582,000	82,959,400	85,400,100	87,914,100	90,503,600	93,170,700
28						
29 Total Revenues, All Funds	479,205,200	507,337,400	535,170,400	564,745,500	596,177,600	629,588,900
30						
31 EXPENDITURES & OTHER USES						
32						
33 City Personnel	172,938,800	180,894,000	189,215,100	197,919,000	207,023,300	216,546,400
34 City Non-personnel, including Transit	112,169,200	115,727,600	119,402,400	123,197,700	127,117,400	131,166,000
35 Debt service	21,299,500	22,979,700	27,788,800	29,551,600	31,219,500	32,961,700
36 Cash capital	15,100,000	16,000,000	17,000,000	18,000,000	19,000,000	10,600,000
37						
38 Schools Personnel	134,505,700	140,693,000	147,164,900	153,934,500	161,015,500	168,422,200
39 Schools Non-personnel	23,192,000	23,887,700	24,604,400	25,342,500	26,102,800	26,885,800
40						
41 Total Expenditures	479,205,200	500,182,000	525,175,600	547,945,300	571,478,500	586,582,100
42						
43 Excess/(Shortfall) of Revenues and Other Sources over Expenditures and Other Uses	0	7,155,400	9,994,800	16,800,200	24,699,100	43,006,800
44						
45						
46						
47						
48 DEBT SERVICE INDICATORS						
49						
50 Debt as a % of Real Property Assessed Value	1.0%	1.1%	1.2%	1.2%	1.2%	1.1%
51 Debt per capita as a % of per capita income	2.4%	2.7%	2.8%	2.7%	2.7%	2.4%
52 Debt Service as % of General Fund Estimated Expenditures	4.4%	4.6%	5.3%	5.4%	5.5%	5.6%
53 Unreserved Fund Balance as a % of General Fund Revenue	12.8%	Not projected				

PERSONNEL SUMMARY

CHANGES IN FULL-TIME POSITIONS

FY 1995 - FY 2004



General Salary Adjustment History

The table below shows the General Salary Adjustments granted to City employees from FY 1984 through FY 2004, along with the previous calendar years' inflation rates. The General Salary Adjustments include cost of living (COLA) adjustments given to City employees. The salary adjustments below do not include merit adjustments, which are based on employee performance.

Fiscal Year	General Salary Adjustments	Inflation Rate ^{/A} (for previous calendar year)
1984	3.0	4.5 (1983)
1985	5.0	4.8 (1984)
1986	4.0	4.2 (1985)
1987	4.0	2.9 (1986)
1988	4.0	3.6 (1987)
1989	4.0	4.1 (1988)
1990	3.0	5.8 (1989)
1991	3.0 (July 1, 1990 - Dec. 31, 1990) 0.5 (Jan. 1, 1991 - June 30, 1991) ^{/B}	5.9 (1990)
1992	2.0	4.1 (1991)
1993	0.0	2.5 (1992)
1994	2.5	3.2 (1993)
1995	2.0	1.9 (1994)
1996	3.0	2.0 (1995)
1997	2.0	2.8 (1996)
1998	2.0 (July 1, 1997 - Dec. 31, 1997) 3.0 (Jan. 1, 1998 - June 30, 1998) ^{/C}	1.7 (1997)
1999	0.0	1.3 (1998)
2000	2.0	2.1 (1999)
2001	2.5	3.3 (2000)
2002	3.0	2.0 (2001)
2003	2.5	3.3 (2002) ^{/D}
2004	2.25 (Proposed)	

/A Source: National Consumer Price Index, all Urban Consumers for the Washington-Baltimore, DC-MD-VA-WV region (CPI-U-DC) 1996 = 100, Bureau of Labor Statistics, U.S. Department of Labor, average to average annual rate. The inflation data have been revised from previously published documents to show the CPI-U-DC, a regional measure of inflation, consistent with the inflation measure called for in the City's Compensation Philosophy.

/B In FY 1991, City Council approved a three percent general salary adjustment effective from July 1, 1990 to December 31, 1990, and an additional one-half of one percent general salary adjustment effective on January 1, 1991. The effective general salary adjustment for FY 1991 was 3.25 percent.

/C In FY 1998, City Council approved a two percent general salary adjustment (COLA) effective July 1, 1997, plus a three percent market rate adjustment effective on January 1, 1998. City Council approved the market rate adjustment based on the results of a consultant survey that documented that some City classifications were below market comparators.

/D Date shown is the January 2002 to January 2003 annual rate, the latest available at the time of budget preparation.

**Changes in Full-Time Positions
Ten Year Summary
(FY 1995 - FY 2004)**

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
I. PUBLIC SAFETY DEPARTMENTS										
Fire	267	267	267	266 ^{a8}	266	268 ^{a0}	268	276 ^{a2}	284 ^{a3}	284
Police	<u>378</u>	<u>399^{a6}</u>	<u>401^{a7}</u>	<u>405^{b8}</u>	<u>406^{a9}</u>	<u>415^{b0}</u>	<u>420^{a1}</u>	<u>420</u>	<u>430^{b3}</u>	<u>435^{a4}</u>
SUBTOTAL PUBLIC SAFETY	<u>645</u>	<u>666</u>	<u>668</u>	<u>671</u>	<u>672</u>	<u>683</u>	<u>688</u>	<u>696</u>	<u>714</u>	<u>719</u>
II. OTHER CITY-FUNDED DEPARTMENTS AND AGENCIES										
Human Relations (formerly Affirmative Action, Human Rights & Office on Women)	16	16	18 ^{b7}	20 ^{c8}	20	20	0	0	0	0
Citizen Assistance	8	8	8	8	8	7 ^{c0}	8 ^{b1}	7 ^{b2}	7	7
City Attorney	12	12	12	12	12	14 ^{d0}	14	15 ^{c2}	15	15
City Council	7	7	7	7	7	7	7	7	7	7
City Council Administrative Aides*	7	7	7	7	7	7	7	7	7	7
City Clerk	3	3	3	3	3	3	3	3	3	3
City Manager	8	8	8	8	8	8	15 ^{c1}	16 ^{b2}	16 ^{c3}	16
Finance	68	68	68	74 ^{d8}	80 ^{b9}	85 ^{e0}	86 ^{d1}	87 ^{d2}	92 ^{d3}	93 ^{b4}
General Services	69	69	69	69	69	71 ^{f0}	74 ^{e1}	72 ^{e2}	73 ^{e3}	73
Health	7	7	7	8 ^{e8}	9 ^{c9}	9	6 ^{f1}	7 ^{f2}	7	7
Historic Alexandria	21	22 ^{b6}	17 ^{e7}	17	17	17	16 ^{g1}	16	17 ^{f3}	17
Human Rights	-	-	-	-	-	-	4	4	5 ^{g3}	5
Information Technology Services	37	38 ^{c6}	40 ^{e7}	48 ^{f8}	48	49	53 ^{h1}	54 ^{g2}	56	56
Internal Audit	-	-	-	-	-	-	2 ⁱ¹	2	2	2
Library	42	41 ^{b6}	41	41	41	43 ^{g0}	49 ⁱ¹	53 ^{h2}	52 ^{h3}	52
Management and Budget	11	11	11	11	11	11	11	11	10 ^{c3}	10
Office of the Legislative Director	-	-	1 ^{e7}	1	1	1	0 ^{k1}	0	0	0
Office on Women	-	-	-	-	-	-	18 ⁱ¹	18	18	19 ^{c4}
Personnel Services	19	19	20 ^{e7}	20	20	20	20	20	21 ⁱ³	22 ^{d4}
Planning and Zoning	24	24	24	24	24	25	27 ^{m1}	33 ⁱ²	34 ^{j3}	34
Real Estate Assessments	11	11	11	11	11 ^{d9}	11	11	11	11	12 ^{e4}
Recreation, Parks & Cultural Activities	113	113	113	117 ^{g8}	117	120 ^{h0}	123 ⁿ¹	127 ^{j2}	128 ^{k3}	128
Transportation & Environmental Services	<u>189</u>	<u>190^{d6}</u>	<u>190</u>	<u>190</u>	<u>188^{e9}</u>	<u>188</u>	<u>191^{f1}</u>	<u>195^{k2}</u>	<u>196ⁱ³</u>	<u>199^{f4}</u>
SUBTOTAL OTHER CITY-FUNDED	<u>672</u>	<u>674</u>	<u>675</u>	<u>696</u>	<u>701</u>	<u>716</u>	<u>745</u>	<u>765</u>	<u>777</u>	<u>784</u>
III. PREDOMINANTLY GRANT-FUNDED DEPARTMENTS AND AGENCIES										
Housing	24	24	22 ^{d7}	20 ^{h8}	19 ^{f9}	20 ⁱ⁰	20	20	20	20
Human Services	190	190	201 ^{e7}	199 ^{j8}	210 ^{g9}	212 ^{j0}	215 ^{o1}	223 ⁱ²	231 ^{m3}	235 ^{g4}
Mental Health, Mental Retardation & Substance Abuse	<u>253</u>	<u>253</u>	<u>261^{f7}</u>	<u>262^{j8}</u>	<u>265^{h9}</u>	<u>264^{k0}</u>	<u>258^{p1}</u>	<u>261^{m2}</u>	<u>255ⁿ³</u>	<u>253^{h4}</u>
SUBTOTAL GRANT-FUNDED DEPARTMENTS	<u>467</u>	<u>467</u>	<u>484</u>	<u>481</u>	<u>494</u>	<u>496</u>	<u>493</u>	<u>504</u>	<u>506</u>	<u>508</u>

Please note: Effective July 1, 2000, the functions of the Human Relations Office have been decentralized. The Affirmative Action function and the Call to Community Initiative were transferred to the City Manager's Office. The Human Rights Office and the Office on Women are independent departments.

* These positions, with the exception of the Mayor's Aide, are classified as permanent part-time positions.

Changes in Full-Time Positions (continued)

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
IV. COURTS AND CONSTITUTIONAL OFFICERS										
Circuit Court	8	8	9 ^{g7}	10 ^{k8}	10	10	13 ^{q1}	13	13	13
Clerk of Courts	20	20	20	20	20	20	21 ^{r1}	21	21	22 ^{j4}
Commonwealth's Attorney	24	24	25 ^{h7}	28 ^{l8}	29 ⁱ⁹	29	27 ^{s1}	29 ⁿ²	30 ^{o3}	30
Court Service Unit	4	4	8 ⁱ⁷	8	8	8	8	8	8	8
Law Library	1	1	1	1	1	1	1	1	1	1
Registrar of Voters	4	4	4	4	4	4	4	4	4	4
Sheriff	<u>194</u>	<u>194</u>	<u>193^{j7}</u>	<u>193</u>	<u>193</u>	<u>196^{l0}</u>	<u>201^{t1}</u>	<u>202^{o2}</u>	<u>211^{p3}</u>	<u>211</u>
SUBTOTAL COURTS AND CONSTITUTIONAL	<u>255</u>	<u>255</u>	<u>260</u>	<u>264</u>	<u>265</u>	<u>268</u>	<u>275</u>	<u>278</u>	<u>288</u>	<u>289</u>
TOTAL CITY EMPLOYEES	<u>2,039</u>	<u>2,062</u>	<u>2,087</u>	<u>2,112</u>	<u>2,132</u>	<u>2,163</u>	<u>2,201</u>	<u>2,243</u>	<u>2,285</u>	<u>2,300</u>
V. SCHOOL EMPLOYEES										
Schools	<u>1,664</u>	<u>1,723</u>	<u>1,764</u>	<u>1,790</u>	<u>1,848</u>	<u>1,894</u>	<u>2,010</u>	<u>2,091</u>	<u>2,099</u>	<u>2,074</u>
<u>GRAND TOTAL</u>	<u>3,703</u>	<u>3,785</u>	<u>3,851</u>	<u>3,902</u>	<u>3,980</u>	<u>4,057</u>	<u>4,211</u>	<u>4,334</u>	<u>4,384</u>	<u>4,374</u>

FY 1996

- (a6) Reflects the addition of fifteen civilian positions to enable fifteen uniformed officers currently in administrative positions to return to street operations; and the addition of six police officers due to the receipt of grant funding under the COPS AHEAD program.
- (b6) Transfer of a Research Historian position from the Library to Historic Alexandria to consolidate historic research services in Historic Alexandria.
- (c6) Reflects Council's June 27, 1995 approval of a position to provide technical support for the City's Internet efforts and electronic mail activity.
- (d6) Council addition of a grant-funded position for the Transit Efficiency Improvement Program.

FY 1997

- (a7) Reflects the addition of two grant-funded police officers under the COPS Combat Domestic Violence Program.
- (b7) Reflects the conversion of two part-time positions to full-time positions due to increased grant funding.
- (c7) Reflects Council action to privatize the Alexandria Convention and Visitors Bureau on January 24, 1996, resulting in the following reorganization: the reallocation of one full-time position from the Office of Historic Alexandria to the Office of Legislative Director; the reallocation of one position to the Personnel Services Department; the reallocation of two positions to the Information Technology Services Department; and Council action on June 27, 1995 to eliminate one position in the Office of Historic Alexandria.
- (d7) This reduction reflects the recommendation of the City Manager to transfer two positions to the Human Services Department, as per Council docket item dated February 27, 1996.
- (e7) Addition of four positions associated with *Alexandria Works!* and two with Alexandria Jobs for Youth per the recommendation of the Human Services Committee; three new positions approved by City Council in December 1994; and two positions were transferred from the Office of Housing.
- (f7) Council addition of six full-time positions on March 28, 1995 and Council addition of two full-time positions on September 26, 1995.
- (g7) Reflects the reclassification of an administrative assistant position from part-time to full-time status as approved by the City Council on December 20, 1996.
- (h7) Reflects the addition of an Assistant Commonwealth's Attorney position approved by City Council on October 23, 1996, to assist in the prosecution of juvenile and domestic violence cases.
- (i7) Reflects the addition of four grant-funded positions under the Virginia Juvenile Community Crime Control Act (VJCCCA) which was approved by City Council on September 10, 1996.
- (j7) Reflects the reduction of three Community Diversion Incentive grant-funded positions and the addition of two full-time positions under the Comprehensive Community Corrections Act (CCCA) grant approved by City Council during FY 1997.

FY 1998

- (a8) Reflects the transfer of a position from Fire to Police to oversee the new Public Safety Radio System.
- (b8) Reflects the transfer of a position from Fire to Police to oversee the new Public Safety Radio System, and the addition of three police officers due to the receipt of a federal grant through the COPS Universal program.
- (c8) Two full-time positions were added subsequent to budget adoption. A new grant-funded Social Worker I position, approved by City Council on May 13, 1997, was added to the Office on Women's Domestic Violence program; and on June 10, 1997, City Council approved the conversion of a part-time position to full-time status using additional grant monies.
- (d8) Reflects the addition of six Revenue Collection Specialists as part of the Pilot Tax Collection Program.
- (e8) Reflects the addition of a grant-funded Public Health Nurse in support of the Arlandria clinic, as approved by City Council on June 24, 1997.
- (f8) Reflects the addition of seven full-time positions in conjunction with the Information Technology Plan as detailed in the approved Capital Improvement Program budget, and the reallocation of a vacant position from the Office of Housing.
- (g8) Reflects the addition of a Recreation Supervisor at Mt. Vernon Recreation Center and the conversion of three part-time positions to full-time status to serve as Assistant Center Directors at Charles Barrett, Nannie J. Lee, and William Ramsay Centers.
- (h8) Reflects the transfer of a position to Information Technology Services and a position to Mental Health.

Changes in Full-Time Positions (continued)

- (i8) Reflects the conversion of a part-time position to full-time status under the Children's Fund; the addition of two social worker positions to the Office for Early Childhood Development to serve the increasing number of eligible families, as approved by City Council on June 10, 1997; and the loss of five grant funded positions.
- (j8) Reflects the reallocation of a vacant position from the Office of Housing, as approved by the City Manager, to assist in office administration.
- (k8) Reflects the addition of a Database Administrator in support of CJIS.
- (l8) Reflects the addition of a Revenue Collections Specialist for the pilot collections program and the addition of two grant funded positions for the Victim Witness program and the V-STOP Domestic Violence program that were approved by City Council subsequent to the release of the FY 1998 budget.

FY 1999

- (a9) Reflects the addition of a Police Sergeant in support of the federally-funded AGILE project, as approved by City Council on February 9, 1999.
- (b9) Reflects the transfer of a senior-level management position in Real Estate Assessments to a professional level analyst position in the Finance Department to address staffing needs throughout the department, as well as the conversion of five temporary positions to permanent status to address staffing needs in the Revenue Administration Division.
- (c9) Reflects the conversion of the part-time HIV/AIDS Administrative Technician position to full-time status.
- (d9) In FY 1999, a senior-level management position was transferred to the Finance Department to address critical staffing needs, and an administrative support position was transferred from the Office of Housing to the Office of Real Estate Assessments to reduce the dependence upon temporary employees.
- (e9) Reflects the reduction of two vacant positions in the Maintenance Division.
- (f9) Reflects the reallocation of a vacant position from the Office of Housing to the Office of Real Estate Assessments.
- (g9) Reflects the conversion of a part-time Employment Training Specialist to full-time status for enhanced employment services for persons with disabilities. Also reflects the addition of 10 new grant funded positions authorized subsequent to the adoption of the FY 1999 budget.
- (h9) Reflects the transfer of a full-time coordinator from the Mental Health Department to the Department of Human services, the conversion of a full-time Psychology intern to part-time.
- (i9) Reflects elimination of State Compensation Board reimbursement for one Assistant Commonwealth's Attorney position and the addition of two grant-funded positions in the Victim-Witness Program, approved by City Council on April 28, 1998.

FY 2000

- (a0) Reflects the addition of a Walk Through Plan Reviewer in the Code Enforcement Division due to workload; and the conversion of a temporary Construction Inspector position to permanent full-time status.
- (b0) Reflects the addition of a Police Sergeant to provide supervision to the department's four School Resource Officers in order to coordinate activities, review programs, and provide appropriate back-up duties; reflects the addition of three Police Officer positions, funded through the Community Oriented Policing (COPS) Universal Grant program; and the addition of 3 Police Officer positions and 2 civilian positions, funded through the Domestic Violence Intervention Project.
- (c0) Reflects the conversion of a full-time position to two part-time positions through a job sharing arrangement which reduced benefits costs.
- (d0) Reflects the conversion to full-time of a part-time law clerk position for a function previously handled by the Commonwealth Attorney's Office and the addition of one full-time Safety Officer position in the Risk Management Division to review and maintain the City's safety procedures.
- (e0) Reflects the conversion of five temporary positions to permanent status to address staffing needs in the Revenue Administration Division.
- (f0) Reflects the addition of two Construction Field Representatives to provide needed construction management support due to the significant increase in current and future capital improvement projects.
- (g0) Reflects the addition of two new full-time positions due to the opening of the new Charles E. Beatley, Jr. Central Library.
- (h0) Reflects the addition of two new positions recommended for Cameron Station maintenance. The cost effectiveness of new positions as compared to a greater reliance on contracted services will be evaluated after bids for park maintenance have been received. Also reflects the addition of a special assistant for capital projects and community activities.
- (i0) Reflects the addition of a fiscal staff position due to an increase in complexity and workload of the Office of Housing's grant positions.
- (j0) Reflects the transfer of a full-time CSA Coordinator position from the Department of Mental Health to the Department of Human Services and reflects the conversion of two formerly job-shared positions to one full-time position.
- (k0) Reflects the transfer of a full-time CSA Coordinator position from the Department of Mental Health to the Department of Human Services.
- (l0) Revised from previously published documents. Reflects the addition of 3 revenue-funded positions in Alexandria Alcohol Safety Awareness Program (AASAP).

FY 2001

- (a1) Revised from previously published documents. Reflects the addition of five Parking Enforcement Officers (PEO) needed to staff the City's Gridlock Reduction Intervention Program (GRIP) to ease rush hour traffic and reduce traffic congestion at certain major intersections. GRIP was implemented in May 2000 as a pilot program and approved for continuation through FY 2001 by City Council on September 27, 2000. Staff has proposed to fund this program through FY 2002 at a cost of \$263,163.
- (b1) Reflects the conversion of two part-time receptionist positions to one full-time receptionist position.
- (c1) Reflects positions transferred to this office effective July 1, 2000, under the City Manager's reorganization. Effective in FY 2002, the Public Affairs Officer position was transferred from Citizen Assistance to the Office of the City Manager.
- (d1) Reflects the addition of a new accountant position for an audit unit in the Revenue Administration Division. The new unit should generate a minimum of \$250,000 in net new revenue; the conversion of two existing, established full-year, full-time temporary staff to regular City positions (contract manager and administration assistant) in the Purchasing Division; the conversion of two part-time positions to one full-time in the Accounting Division; and the conversion of a part-time position to a full-time position in the Revenue Administration Division. Also reflects the transfer of 2 positions to the City Manager's Office and the removal of the Office of Internal Audit as a function of the Finance Department to an independent office as part of the City Manager's reorganization.
- (e1) Reflects the addition of a master electrician position and a new contract manager position; the conversion of a 0.625 FTE position to full-time to support work of the Facilities Division.
- (f1) Reflects the transfer of 3 full-time positions from the Health Department Environmental Health Unit to the Department of Transportation and Environmental Services as part of the City Manager's reorganization.
- (g1) Reflects the conversion of a full-time position in the Administration Division to a part-time position.
- (h1) Reflects the addition of a new database administrator position; two programmer/analysts for applications positions; and one programmer/analyst position for E-commerce initiative planning.
- (i1) As of July 2000, this is an independent office under the City Manager's reorganization.
- (j1) Reflects the addition of 6 new full-time positions to provide library services at the Burke Branch Library and Community Learning Center.
- (k1) Effective July 1, 2000, this function is reflected under the City Manager's Office.
- (l1) As of July 1, 2000, this is an independent office under the City Manager's reorganization.

Changes in Full-Time Positions (continued)

- (m1) Reflects the addition of one Geographic Information system (GIS) Manager position and one Urban Planner III.
- (n1) Reflects two new positions included as a FY 2001 approved supplemental budget request to fund the operations of the newly expanded Ramsay Recreation Center, and the conversion of two former part-time positions into one full-time position in the Administration division during FY 2001.
- (o1) This decrease in positions from FY 2000 to FY 2001 is attributable to the net of the ACCESS grant closing (33 positions), with 15 positions retained under a scaled back program, 5 positions reallocated as a result of the City Council approved Performance Contract with the State; the addition of 5 new positions; and the addition of two new full-time residential counselors in the mental Retardation division as a result of CSB action on January 11, 2001.
- (p1) This decrease in positions from FY 2000 to FY 2001 is attributable to the net of the ACCESS grant closing (33 positions), with 15 positions retained under the scaled back program, 5 positions reallocated as a result of the City Council approved Performance Contract with the State; the addition of 5 new positions; and the addition of two new full-time residential counselors in the Mental Retardation Division as a result of CSB action on January 11, 2001.
- (q1) Reflects additional support (a computer applications instructor and two system analysts) for the Criminal Justice Information System and the Alexandria Justice Information System.
- (r1) Reflects the conversion of a part-time position to a full-time position.
- (s1) Reflects the elimination of two positions due to the State Department of Taxation contract for delinquent collection program.
- (t1) Reflects the addition of 3 grant funded pre-trial services positions, one revenue supported AASAP position, and one state funded local inmate data system (LIDS) position.

FY 2002

- (a2) Reflects the addition of 8 EMS positions to staff a 5th Medic Unit due to an increase in Fire and EMS incidents over the past 13 years. This is the first increase in EMS personnel and equipment since 1988.
- (b2) Effective July 1, 2001 the Public Affairs Officer position was transferred from Citizen Assistance to the Office of the City Manager.
- (c2) Reflects the addition of 1 Assistant City Attorney I position to provide representation in zoning, building code, health, noise, animal control, tax enforcement and DWI cost recovery cases.
- (d2) Reflects the addition of a Clerk Typist to handle the billing component of the City's telecommunications system.
- (e2) Reflects the addition and subsequent transfer of a Telecommunications Technician to ITS; the transfer of the Telecommunications Specialist to ITS; and the transfer of an Account Clerk II to Finance. In FY 2002, ITS assumed the responsibility of the City's telecommunications services and Finance assumed the responsibility of billing for the City's telecommunications services.
- (f2) Reflects the addition of an Accounting Technician position in the Administration Division to help ensure more accurate financial reporting as well as to improve fee collections in the Health Department.
- (g2) Reflects the addition of one Network Security Technician to provide the City with guidance on basic security management.
- (h2) Reflects the addition of four FTE's to provide Library Services at the Beatley and Burke facilities.
- (i2) Reflects the addition of one Neighborhood Planning and Community Development Division Chief, one Planner III in Development, one Planner II in Neighborhood Planning and Community Development, one GIS Specialist in Development, one Administrative Officer in Administration, and one Planner II which was originally budgeted in Contingent Reserves and transferred to Planning and Zoning.
- (j2) Reflects the addition of a Labor Supervisor, a Tree Trimmer, a Horticultural Specialist, and a Labor III allocated from funds set aside in contingent Reserves for Park Maintenance.
- (k2) Reflects the addition of 2 Inspector II's, 1 Engineering Aide in Construction and Inspection and, 1 Engineer III in Engineering and Design.
- (l2) Reflects the conversion of a part-time companion aide to full-time to allow for hiring and retention of qualified staff to address compliance issues with the State; the addition of one position to handle all components of the department's revenue maximization efforts; and the addition of two Social Worker Supervisors to a) provide additional services in the Child Welfare area of the department, and b) to handle increased caseloads due to the planned expansion of the before and after school programs. Also in FY 2002, City Council approved the addition of 2 additional Social Worker Supervisors, one Administrative Assistant, and one Clinical Psychologist based on the report issued by the Child Welfare League of America.
- (m2) Reflects the addition of a new Therapist III position as a result of a recommended supplemental request to fund with General Fund dollars psychological services for at-risk preschool children. Also includes the addition of 2.0 FTEs that were approved by City Council after the FY 2002 budget was adopted.
- (n2) Reflects the addition of 2 positions due to the Community Prosecution Grant from the Virginia Department of Criminal Justice Services.
- (o2) Revised from previously published documents to reflect the addition of a Comprehensive Community Corrections Act (CCCA) grant-funded position that was budgeted in FY 2002 but excluded from the full-time position count.

FY 2003

- (a3) Reflects the addition of four Fire Protection Systems Specialists (FPSS) to establish a Fire Protection System Retesting Program; and the establishment of a Fire Marshal Aide to the Director position in the Code Enforcement Bureau. The FY 2003 Approved budget was amended to reflect the addition of three full-time positions (1 Fire Protection Plan Reviewer; 1 Fire Systems Inspector; 1 Engineering Aide) to staff the new Code Enforcement Fire Protection Systems Inspection and Testing Unit.
- (b3) Reflects the addition of four Police Officers to better address patrol staffing needs and to better maintain current response levels to calls for service, traffic accidents, patrols and routine arrests in light of the significant increase in commercial and residential development in the City; the addition of five Police Officers to better ensure that the required staffing levels of sworn officers are maintained throughout the department. The five officers will allow the Department to fill assignments, beats and slots which become vacant through attrition and will also help the Department address the heightened security needs of the City in light of the terrorist attacks on the United States on September 11, 2001; and the addition of the Contracts Administrator position in the Fiscal/Fleet Management division.
- (c3) Reflects the transfer of the Affirmative Action Officer position from the Office of the City Manager to the Office of Human Rights and the transfer of a position from the Office of Management and Budget for the Organizational Development Coordinator.
- (d3) Reflects the conversion of a Revenue Collection Specialist from part-time to full-time; the conversion of two full-time Account Clerk III positions from temporary to permanent; the conversion of one part-time Clerk I position to a full-time Account Clerk I position; and the transfer of a Pension Administrator position from the Personnel Department to the Administration Division.
- (e3) Reflects the conversion of a part-time Mailroom Clerk to full-time to increase the delivery capacity of the Mailroom
- (f3) Reflects the addition of a Museum Aide II at Gadsby's Tavern Museum to be funded from Museum revenues.
- (g3) Reflects the transfer of the Affirmative Action Officer position from the Office of the City Manager to the Office of Human Rights.
- (h3) Reflects the elimination of a Maintenance Worker position in the Administration Division.
- (i3) Reflects the addition of a Personnel Clerk II position to provide additional clerical and administrative support in the Employee Relations and Training Division; and the addition of a Retirement Administrator position in the Benefits/Systems Division. The Retirement Systems Administrator position was transferred to the Finance Department as of July 1, 2002.
- (j3) Reflects the addition of one Regulatory Processes Division Chief in the FY 2003 Approved Budget.
- (k3) Reflects the addition of a Special Projects Coordinator position to the Administration Division.
- (l3) Reflects the conversion of one temporary overhire Inspector II position to permanent status in FY 2003.

Proposed

Changes in Full-Time Positions (continued)

- (m3) Reflects the reduction of 1FTE due to the Teen Pregnancy staffing being transferred to the Office on Women. The FY 2003 Approved Budget was amended to reflect the receipt of the 911 National Emergency Grant which added 9 FTEs.
- (n3) Reflects the reduction of 1.0 FTE due to a slight reduction in an existing grant; and the reduction of 5.0 vacant FTEs from the Homebased Program due to lower than expected demand for services.
- (o3) Includes an approved supplemental request to convert an Assistant Commonwealth's Attorney overhire position to a permanent position.
- (p3) Reflects the addition of nine federally-funded limited term temporary overhire positions (1 Sergeant and 8 Deputies) for Public Safety Center perimeter security. Federal funds will be sought to reimburse the City for these positions.

FY 2004

- (a4) Reflects five existing overhire police officer positions that were converted to permanent employee status.
- (b4) Reflects recommended supplemental funding to add an Administrative Assistant position to provide assistance to the Pension Administrator.
- (c4) Reflects the conversion of a part-time Teen Pregnancy Prevention Coordinator position to full-time.
- (d4) Reflects the addition of a Personnel Analyst I position to help improve the quality and responsiveness of the City's recruitment process.
- (e4) Reflects the conversion of a full-time Secretary II position from temporary to permanent full-time status.
- (f4) Reflects the addition of one Civil Engineer I position in the Environmental Quality Division to perform inspections and field work related to water quality compliance in the administration of the City's Watershed Management Program; the addition of one Transportation Engineer IV to manage in-house traffic studies and analysis; and the conversion of one Transportation Coordinator overhire position for traffic calming to permanent full-time status.
- (g4) Reflects 3 Social Worker II positions and one Community Liaison position added per a recommended supplemental request.
- (h4) Reflects the elimination of 3.0 FTEs due to State funding reductions; and the recommended supplemental request to increase a Case Manager position from part-time to full-time.
- (i4) Represents the conversion of a temporary employee to permanent full-time status.



Summary of Full-Time Position Changes Proposed

Agencies with a reduction in Full-time Positions

Mental Health, Mental Retardation & Substance Abuse	-3	Reflects the elimination of 3.0 FTEs due to State funding reductions.
SUBTOTAL, NET REDUCTIONS	-3	

Proposed New Positions

Personnel Services	1	Reflects the addition of a Personnel Analyst I position to help improve the quality and responsiveness of the City's recruitment process.
Finance	1	Reflects recommended supplemental funding to add an Administrative Assistant position to provide assistance to the Pension Administrator.
Transportation and Environmental Services	2	Reflects the addition of one Civil Engineer I position in the Environmental Quality Division to perform inspections and field work related to water quality compliance in the administration of the City's Watershed Management Program; and the addition of one Transportation Engineer IV to manage in-house traffic studies and analysis.
Human Services	4	Reflects 3 Social Worker II positions and one Community Liaison position added per a recommended supplemental request.
SUBTOTAL, NET NEWLY CREATED POSITIONS	8	

Position Conversions: Part-time to Full-time

Office on Women	1	Reflects the conversion of a part-time Teen Pregnancy Prevention Coordinator position to full-time.
Mental Health, Mental Retardation & Substance Abuse	1	Reflects the recommended supplemental request to increase a Case Manager position from part-time to full-time.
Real Estate Assessments	1	Reflects the conversion of a full-time Secretary II position from temporary to permanent full-time.
SUBTOTAL, PART-TIME TO FULL-TIME	3	

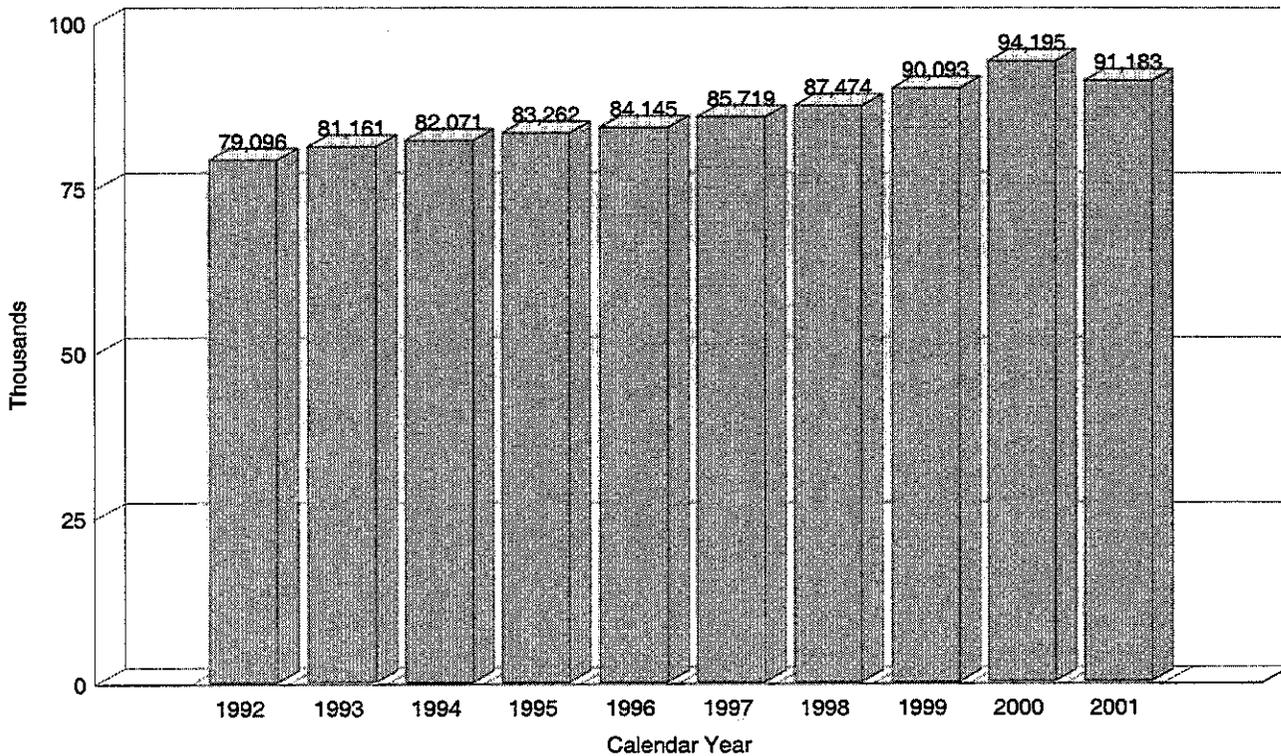
Summary of Full-Time Position Changes Proposed

Position Conversions: full time temporary to regular City positions

Transportation and Environmental Services	1	Reflects the conversion of one Transportation Coordinator overhire position for traffic calming to permanent full-time status.
Clerk of Courts	1	Represents the conversion of a temporary employee to permanent full-time status.
Police	5	Reflects the conversion of five existing temporary overhire Police Officers to permanent status.
SUBTOTAL, CONVERSIONS: TEMPORARY TO REGULAR	7	
GRAND TOTAL, CHANGE IN FULL-TIME POSITION COUNT	15	

Employment

PERSONS EMPLOYED AT JOB SITES IN ALEXANDRIA Fourth Quarter Average Employment



Source: Virginia Employment Commission

Note: Fourth quarter data for 2002 will not be available until July, 2003.

This graph represents the number of residents and non-residents employed at job sites in Alexandria. These job sites are in all types of industries, and include all employers participating in the Virginia Unemployment Compensation Program. The Virginia Unemployment Compensation Program covers approximately 95 percent of all employers, excluding only a narrow set of employment categories, such as self-employed persons and elected officials.

FY 2004 - FY 2009

Capital Improvement Program

(Incorporating the Information Technology Plan)

FY 2004 - FY 2009 Capital Improvement Program

Overview

The City of Alexandria's Capital Improvement Program is a comprehensive plan which identifies the City's future infrastructure needs and the corresponding funding required to meet those needs. The plan addresses two broad areas of expenditure. First, is the protection of the City's investment in existing physical assets and includes the maintenance, upkeep and renovation of public buildings, streets, sewer lines, recreation facilities, historic sites and all of the infrastructure needed to sustain the City. The second is the planning and construction or purchase of major new facilities. In anticipation of these facility requirements, the CIP ensures that appropriate funding will be available. The adoption of the Capital Improvement Program by the City Council is an indication of their support of both the capital projects that the City intends to pursue and the anticipated levels of financing needed to fund these capital projects over the six-year period.

The CIP is funded by a combination of General Obligation Bonds, General Fund Fund Balance (from prior year fiscal surpluses), State and federal grant funds, "Cash Capital," which is the direct payment to the CIP from the City's Operating Budget, sewer hook-up fees, miscellaneous outside revenues, and (new starting in FY 2004) sanitary sewer user charges.

The CIP indicates the expected timing and the approximate cost for each project and program area. The adoption of the Capital Improvement Program is neither a commitment to a particular project nor a limitation to a particular cost. As a basic tool for scheduling anticipated capital projects and capital financing, the CIP is a key element in planning and managing future debt service requirements. For this reason, the CIP includes some projects where needs have been defined (such as for Metrorail capital beyond FY 2006), but specific solutions, and funding sources, have not been identified.

The Capital Improvement Program also provides a necessary measure of flexibility for the City Council in meeting the City's physical facilities needs. There are several projects for miscellaneous capital repairs and improvements (Schools, Parks, City Buildings, Streets, Storm Sewers, and Sanitary Sewers) that provide for response to particular needs during the fiscal year even though the specific locations or needs could not be foreseen at the time of budget adoption.

The CIP Process

The specific plan and priorities for the FY 2004 CIP were developed by the City's internal CIP Review Committee. This committee, comprised of four department heads, OMB staff and two Assistant City Managers is charged with determining the highest priorities from among the many requested and needed projects within the City. In making those decisions, each requested project, as well as those projects approved in prior years was evaluated and assigned one of three ratings - essential, very desirable or desirable - using the following guidelines:

Essential

- Previously committed and/or ongoing;
- Addresses issues of health or safety of citizens;
- Addresses issues of legal responsibility by the City;
- Avoids even greater future costs;
- Requested or required by the City Council;
- Result of City-wide citizen input;
- State or federal funds can be used with minimal match from the City

Very Desirable

- Previously committed but not essential to continue;
- Addresses quality of life issues such as space or beautification;
- A new addition to an ongoing project;
- May be income producing;
- A neighborhood or interest-group priority;
- State or federal funds available but requires a substantial City match

Desirable

- Addresses any of the above issues but is not an immediate priority;
- Cost of the project is too high to justify;
- Requires a major maintenance effort once complete

While these project ratings are important in determining recommended priorities, the realities of the City's financial situation are critical to those decisions.

The CIP Review Committee assessed over seventy project requests for the FY 2004 - FY 2009 Capital Improvement Program. The result of the efforts of the CIP Review Committee and subsequent City Manager review and decision making is a proposed six-year \$327.7 million City-funded CIP, representing a 78.2 percent increase as compared to the FY 2003-FY 2008 CIP of \$183.8 million. The increase in the City-funded six-year capital program reflects the addition of major building and infrastructure projects, including \$74.2 million over six years for the construction of a new T.C. Williams High School; \$71.4 million over six years for a new Police Department facility, Public Safety Center improvements, as well as interim Police site capital costs; and an additional \$12.7 million (to be funded almost entirely from increases in water-sewer fees), for a total of \$24.2 million, for the evaluation and correction of infiltration/inflow problems in the City's separate sewers systems, as well as for other improvements to the City's sanitary sewer systems.

Highlights of the Capital Improvement Program

The proposed locally-funded FY 2004-FY 2009 six-year program includes the following major initiatives:

Alexandria City Public Schools:

- A total of \$130.5 million has been proposed for the capital needs of the Alexandria City Public School system, which represents an increase of \$43.8 million, or 50.5 percent as compared to the FY 2003-FY 2008 approved six-year City capital program. This increase in the Proposed CIP for the Schools is primarily attributable to the planned design and construction of a new, state of the art, 420,000 square foot high school to replace the 38 year old T.C. Williams High School (\$74.2 million). This City proposed CIP fully funds the Schools' adopted six-year CIP (FY 2004-FY 2009).

Public Building and Recreation Centers:

- \$71.4 million has been proposed over six years (FY 2004-FY 2009) for the purchase of land, the construction of a new Police facility including \$2.7 million in new funding for the build-out of interim, offsite leased space for the Police Department's planned temporary move out of the Public Safety Center in FY 2004.
- \$20.0 million has been proposed in FY 2007 for the expansion and renovation of the Chinguapin Recreation Center as part of the plan to construct a new T. C. Williams High School adjacent to the Chinguapin Center.
- \$4.1 million over two years (FY 2005-FY 2006) has been proposed for improvements and renovations at the Charles Houston Recreation Center.
- \$3.5 million over two years (FY 2005-FY 2006) has been proposed for improvements and renovations at the Patrick Henry Recreation Center.
- \$2.1 million over four years (FY 2004-FY 2007) has been proposed to initiate and execute a City-wide Space Management Program to optimize City-owned space and minimize leased space.
- \$1.8 million over two years (FY 2004-FY 2005) has been proposed for the renovation of the joint use T&ES/Recreation Quaker Lane Maintenance facility.
- \$795,000 has been proposed in FY 2004 for the reuse of the current Patrick Street Clubhouse Facility for City office use.
- \$537,000 has been proposed in FY 2004 to provide upgrades to existing mechanical, electrical and fire safety systems as part of the Duncan Library expansion project.
- \$450,000 over four years (\$75,000 annually) has been proposed to implement energy initiatives and additional studies to achieve greater energy efficiencies within City facilities.
- \$242,000 has been proposed in FY 2004 for the fit-up and build-out of the old animal shelter facility for re-use as a central storage facility for City agencies.

Public Works:

- An additional \$12.7 million over six years, together with previously planned and existing funds (a total of \$24.2 million in funding) is proposed for the evaluation and corrections to the City's separate sewer system, including addressing infiltration and inflow issues.
- \$0.4 million over three years (FY 2004-FY 2006) has been proposed for the reconstruction of storm sewers as identified in Warwick Village.
- \$0.3 million has been proposed in FY 2004 for relining 50 year old clay tile pipe in areas of Old Town, Rosemont and Del Ray.
- \$0.2 million has been proposed in FY 2004 for a structural and rehabilitation study for the Wilkes Street Ramp/Tunnel. Future rehabilitation costs will be estimated by this study.
- \$0.1 million has been proposed for pedestrian improvements in Arlandria (i.e. Landover Path).
- \$80,000 has been proposed in FY 2005 for the widening of the Duke Street fly-over to Cameron Station to improve the pedestrian access on this bridge.

Quality of Life Initiatives - Open Space, Trees, Transportation and Transit:

- \$29.6 million has been proposed for FY 2004-FY 2009 to meet the City's capital obligations for Metrobus and Metrorail, with \$10.2 million remaining balance transferred from the cancelled King Street Underpass project to fund the City's share for FY 2004 through a portion of FY 2006, with the remaining revenues (\$13.7 million) coming from other sources to be identified to fund the City's share beginning in FY 2006.
- \$5.6 million over six years has been proposed for the replacement of a total of 16 DASH buses and the addition of one bus over this period. These buses will be partly funded by revenues from \$1.24 million in State Urban Funds in FY 2004. Funding of the \$4.4 million (FY 2005-FY 2009) will need to be identified, or fewer buses than planned will have to be purchased.
- \$3.0 million over three years (\$1.0 million per year from FY 2007-FY 2009) has been proposed for the renovation and enhancement of Windmill Hill Park, with FY 2009's \$1.0 million to be funded from to-be-determined outside sources.
- Annual funding for athletic field improvements has been increased by \$40,000 to \$80,000 per year and has been extended into FY 2009.
- Annual funding to renovate and enhance the City's horticultural sites has been increased by \$20,000 per year to \$60,000 annually through FY 2009.
- The Proposed FY 2004-FY 2009 CIP continues funding for tree planting and care and the renovation and enhancement of the City's horticultural sites including street medians, tree wells, portals into the City, areas outside of recreation centers, and other planted areas that are maintained by the Recreation Department.

Information Technology Infrastructure:

- The Proposed FY 2004-FY 2009 CIP continues the City's commitment to building and maintaining an essential information technology infrastructure, while enhancing services and building on existing City hardware, networks and software that have been implemented over the past decade. The Proposed FY 2004-FY 2009 Information Technology (IT) Plan component of the CIP is \$19.1 million, which represents an increase of \$1.9 million, or 11.0 percent, as compared to the FY 2003-FY 2008 approved six-year plan.
- New projects in the FY 2004-FY 2009 IT Plan include funds for the Institutional Network (I-NET) Upgrades; Emergency Medical Services Records Management Module Replacement; Telephone Switch Replacement; E-911 System Planning; Revenue Collection Management System; MH/MR/SA Citrix Upgrade; Fleet Services System Bar Coding; Alexandria Justice Information System (AJIS) Enhancements; and Sheriff's Inmate Classification Software System.

FY 2004 Capital Budget - First Year of the Six-Year Program

The FY 2004 Capital Budget, which comprises the first year of the six-year plan, is \$86.6 million, and represents an increase of \$31.9 million, or 58.4 percent, as compared to the Approved FY 2003 capital budget. A summary of the FY 2004 capital budget is as follows:

- \$38.7 million for the Alexandria City Public Schools (fully funded request), including \$16.2 million for the architectural/engineering master plan and to begin construction of the new T.C. Williams High School;
- \$26.2 million in City facility renovation and maintenance projects including \$20.3 million, of a total \$71.4 million in proposed funding, for the purchase of land, the construction of a new Police facility and includes \$3.5 million (an increase of \$2.7 million) for the build-out of offsite lease space for the Police Department's planned temporary move out of the Public Safety Center in FY 2004.
- \$6.8 million for the Information Technology Plan;
- \$6.6 million for sanitary and storm sewer work;
- \$4.5 million for undergrounding, streets, bridges, traffic calming measures and transit City-funded requirements including DASH and WMATA;
- \$2.4 million for parks and recreation facilities including \$294,220 for the City's capital contribution to the Northern Virginia Regional Park Authority; \$200,000 for land acquisition; \$140,000 for tree planting and renovation and enhancement of the City's horticultural sites; and over \$1.8 million for other recreation facilities including athletic fields and playgrounds throughout the City;
- \$0.5 million for facility infrastructure improvements as part of the Duncan Library expansion project;

- \$0.5 million for community development projects including pedestrian improvements in Arlandria (i.e. Landover Path); undergrounding on Mt. Vernon Avenue; streams and channel maintenance; and City marina waterfront dredging; and
- Approximately \$0.3 million for the City's capital funding for regional facilities including Peumansend Creek Regional Jail and the Northern Virginia Community College.

Deferred Projects/Projects Beyond the FY 2004 to FY 2009 CIP:

To balance capital needs with available funding for capital projects (including new borrowing and significant increases in pay-as-you go funding for capital projects), funding for many capital project requests for both the City and the Schools has been deferred beyond the scope of this FY 2004-FY 2009 CIP. Among the unfunded capital projects are:

- Open space funding beyond the \$1.2 million in this proposed CIP;
- Full funding for the expansion and improvement of the City's Quaker Lane maintenance facilities;
- Full funding for street and sewer reconstructions City-wide;
- Funding to protect and restore the tributary stream along Chambliss Street;
- Funding for streetscape revitalization improvements at the intersection of Russell Road and Mount Vernon Avenue and at the new Monroe Avenue Bridge;
- Funding for the possible replacement of the City's voting equipment.
- Funding for recreation center construction beyond the specific projects contained in this CIP;
- Full funding to complete renovations at the Gadsby's Tavern complex;
- Funding for the construction of a new DASH maintenance facility;
- Funding for the expansion of the DASH bus fleet;
- The expanded Metrorail capital program and the purchase of DASH replacement buses will require the identification of substantial alternative transportation revenue sources;
- Funding for major outdoor swimming pool capital improvements;
- Funding to rehabilitate a bike and pedestrian trail that runs underneath I-395;
- Funding to address and renovations to park and athletic field lighting;
- Funding for interior wall design and renovation at Friendship Firehouse;
- Funding for flood mitigation in the area of the Holmes Run Channel between I-395 and Ripley Street;

- Funding for the redesign and construction of the Holmes Run Stream channel crossing;
- Funding to design fortification wall corrections at Fort Ward;
- Funding for traffic and streetscaping improvements on Duke Street from Early Street to Jordan Street;
- Funding to address flood control options on lower King Street;
- Funding to immediately address all sanitary sewer system needs; and
- Numerous other requests to enhance City facilities or replace rented facilities with City-owned facilities.

Capital Funding Summary and Impact on the Adopted Debt-Related Financial Policies

At the City Council Retreats in the fall of 2001 and 2002, staff indicated that meeting our growing City and Schools' capital improvement requirements would continue to be a significant fiscal issue in the years ahead. Although the slowing economy has had an impact on revenues, the City needs to continue to invest in capital projects. The City will continue to use pay-as-you-go cash capital financing over the next six years to the extent possible as dictated by the economy and resulting pressure on the operating budget.

Funding the total capital program for the City and the Schools will be provided through a mix of \$212.1 million in general obligation bond borrowing through FY 2009 plus cash capital appropriations of up to \$19.0 million per year and fund balance designated for capital projects. The FY 2004-FY 2009 capital funding plan reflects the planned issuance of \$64.7 million in general obligation bonds in FY 2004; \$48.7 million in FY 2005; and \$40.4 million in FY 2006; \$22.6 million in FY 2007; and \$35.7 million in FY 2008. Of the planned bond issuance of \$212.1 million through FY 2009, the debt service from \$14.8 million of these bonds will be financed from sanitary sewer system user fees. Tables detailing the capital program funding plan follow this overview section, and are entitled the "Capital Improvement Program Funding Plan Summary."

With the recommended \$64.7 million bond issue planned for FY 2004 to fund the next phases of the City's Capital Improvement Program, the FY 2004 Proposed Operating Budget includes an increase in debt service costs of \$3.4 million, assuming a 4.5 percent projected interest rate. It should be noted, however, that the actual interest rate may vary based upon market conditions at the time of sale.

This approved capital program, while accommodating many needs, does not address all of the requests from City agencies, the School Board, and the community that will need to be carefully evaluated and phased in over a longer period than six years. The increasing debt burden will not endanger the City's hard-earned AAA/Aaa bond ratings, but will impact the annual operating budget, as our projected general obligation debt service payments – the annual repayment on the principal and interest due on our bonds – will increase from \$17.7 million in FY 2003 to \$21.3 million in FY 2004, and increasing each year to a maximum of \$33.0 million in FY 2009.

While the FY 2004-FY 2009 capital program is budgeted to be financed, in part, with additional General Obligation debt, as shown in the following tables and graphs, the City will remain consistent with our adopted debt ratio targets and limits. Under this funding plan, the City's debt per capita as a percent of per capita income increases but stays at or below 2.8% during the entire FY 2004 to FY 2009 time period. As shown in the graph entitled "Debt per Capita as a Percent of Per Capita Income Projections Compared to Debt Policy Target and Ceiling," the City will remain below our debt per capita ceiling of 3.25% of per capita income; but above the target of 2.25%.

Figure 1. Debt per Capita as a Percent of Per Capita Income Compared to Debt Policy Target and Ceiling

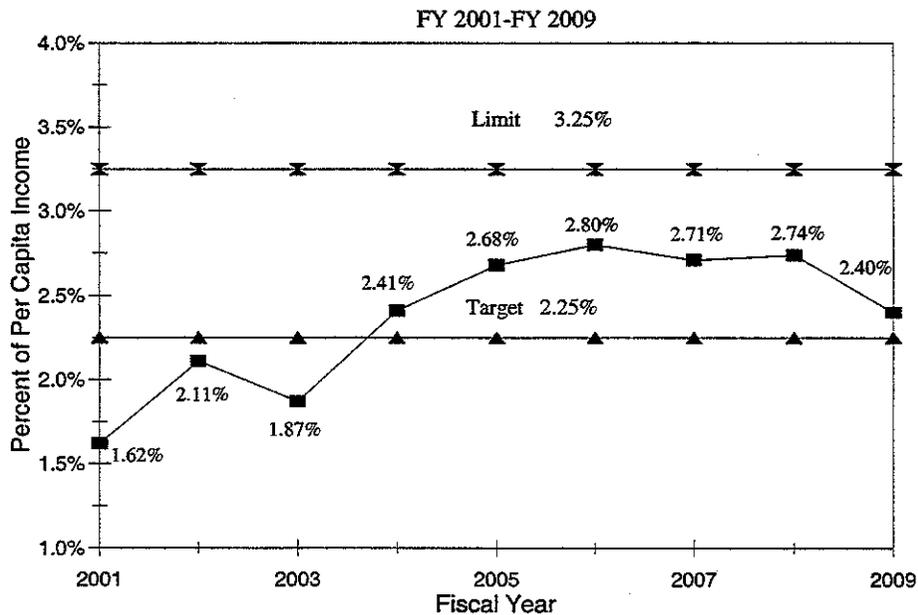
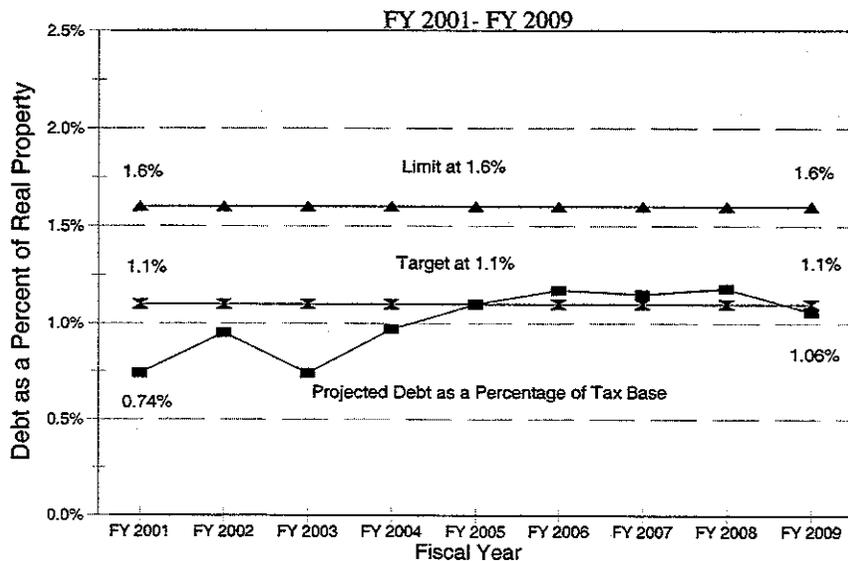


Figure 2. Debt as a Percentage of Fair Market Real



The City will also remain consistent with its adopted debt policy ratios for Debt as a percentage of Fair Market Real Property Value, as shown in the following graph. This is the most important debt ratio considered by the bond rating agencies. During the entire six years of the proposed City CIP, the City's projected debt to tax base ratio never exceeds 1.18%. This is slightly more than the 1.1% target and 74% of the City's set 1.6% policy limit.

ACCOMPLISHMENTS OF THE PAST YEAR

The following is a list of some of the City's significant accomplishments in its capital program during FY 2002 and the first half of FY 2003.

Burke Facility

On April 22, 2002, following an extensive renovation, the Burke Facility was re-opened to the public with a shared use between the Alexandria Library Board and the Alexandria City Public Schools. The concept for the shared use enables the City Library System and the Schools to work together to provide complimentary programs and services in a central location at the Burke Facility.

Vola Lawson Animal Shelter

On May 16, 2002, the new Vola Lawson Animal Shelter was opened to the public. The new facility, located at 4101 Eisenhower Avenue is approximately 12,480 square feet and is in full compliance with State standards.

Schools

On May 28, 2002, City Council approved the allocation of \$13,095,083, to continue the expansion and renovation of the George Washington Middle School. Construction is scheduled to be completed in Summer 2003.

On May 28, 2002, City Council approved the allocation of \$670,000 for Phase II of the building renovation at Patrick Henry Elementary School. Phase II was completed in Summer 2002.

On May 28, 2002, City Council approved the allocation of \$400,000 for the replacement of the roof at Mount Vernon Elementary School. This work was completed in Summer 2002.

On January 28, 2003, City Council approved the allocation of \$1,272,221 for the architectural and engineering design required for the proposed addition and renovations at the Minnie Howard School.

Public Safety Building

On February 25, 2003, City Council approved the allocation of \$786,000 for architectural and engineering design required for the repair and modifications needed to correct the first floor slab settlement problem at the Public Safety Building, including the development of emergency response plans for unexpected slab settlement and evaluation of interim repairs to the building's mechanical systems.

Health Department

On June 25, 2002, City Council approved the allocation of \$8,150,000 for the acquisition of property (4480 King Street) that is to become the new headquarters for the Alexandria Health Department and the Clubhouse Program of the Department of Mental Health, Mental Retardation and Substance Abuse.

On February 25, 2003, City Council approved the allocation of \$250,000 for the architectural and engineering services required for the renovation and build-out of the new Health Department facility.

Redevelopment of Arlandria

On June 25, 2002, City Council approved the allocation of \$1.4 million and on September 24, 2002 approved an allocation of \$600,000 for a total of \$2.0 million, for the purchase and demolition of the Datatel Building and the eventual construction of a surface parking lot as part of the revitalization plan for the Arlandria area.

Skate Park

On September 24, 2002, City Council approved the allocation of \$200,000 for the design and construction of the skate park located at Lockett Field. This allocation, in combination with \$50,000 in private funding to be raised by the Skate Park Friends group, will fund the design, site preparation and construction of the skate park. The park is scheduled to be completed in Summer 2003.

Combined Sewers

On September 24, 2002, City Council approved the allocation of \$1.2 million for new Virginia Pollution Discharge Elimination System (VPDES) permit monitoring, evaluation reporting activities, including, but is not limited to, rotating Combined Sewer Overflows (CSO) flow monitoring, Hunting Creek sampling and analysis and CSO sampling and analysis. Permit compliance activities will continue through the end of the permit cycle which is August 2006.

Sanitary Sewers

On June 25, 2002, City Council approved the allocation of \$600,000 for the construction of new sewer mains and the replacement and rehabilitation of old lines as needed in planned areas of the City.

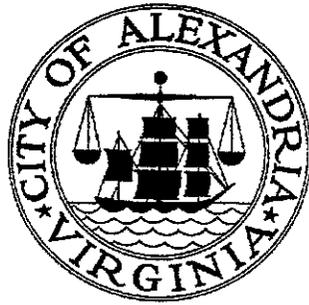
Storm Sewers

On June 25, 2002, City Council approved the allocation of \$500,000 for extensions and replacements of storm sewers and for the reconstruction of deteriorated storm water channels in planned areas of the City.

LEGAL BASIS

The FY 2004 - FY 2009 Capital Improvement Program has been prepared pursuant to Section 6.14 of the Alexandria City Code, as amended, which states that the City Manager:

“...shall submit to the Council a budget of the approved capital improvement projects for the ensuing fiscal year and for the five fiscal years thereafter, with his recommendations as to the means of financing the improvements approved for the ensuing fiscal year. The Council shall have power to accept with or without amendments or reject the approved program and approved means of financing the ensuing fiscal year but, except in the case of emergency as provided in subsection (d) of Section 2.02 of this Charter, the Council shall not authorize any capital improvement project or make any appropriation therefore unless such project is included in the capital budget as adopted by it.”



CAPITAL IMPROVEMENT PROGRAM SOURCES AND USES OF FUNDS
For the Six Fiscal Years Ending June 30, 2009

	Total FY 2003 - FY 2009	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
CITY-FUNDED SOURCES							
Future Sources:							
Planned General Fund Appropriations:							
FY 2004	15,100,000	15,100,000					
FY 2005	16,000,000		16,000,000				
FY 2006	17,000,000			17,000,000			
FY 2007	18,000,000				18,000,000		
FY 2008	19,000,000					19,000,000	
FY 2009	10,600,000						10,600,000
General Obligation Bonds:							
FY 2004	64,700,000	64,700,000					
FY 2005	48,700,000		48,700,000				
FY 2006	40,400,000			40,400,000			
FY 2007	22,600,000				22,600,000		
FY 2008	35,700,000					35,700,000	
Planned Other Sources:							
Bond Interest Earnings	5,140,715	994,838	1,019,806	1,026,855	517,152	1,038,305	543,759
General Fund Balance	4,200,000	4,200,000					
Sewer Fees	9,400,000	400,000	600,000	1,600,000	3,000,000	1,500,000	2,300,000
Miscellaneous	1,200,000	1,200,000					
TOTAL CITY-FUNDED SOURCES	327,740,715	86,594,838	66,319,806	60,026,855	44,117,152	57,238,305	13,443,759

CAPITAL IMPROVEMENT PROGRAM SOURCES AND USES OF FUNDS
For Fiscal Years Ending June 30, 2009

CITY-FUNDED SOURCES:

		<u>Projected Debt Service</u>	<u>Total General Fund</u>
Planned Future General Fund Appropriations to Capital Projects Fund, FY 2004 - FY 2009:			
FY 2004	15,100,000	20,945,117	36,045,117
FY 2005	16,000,000	22,723,604	38,723,604
FY 2006	17,000,000	27,532,761	44,532,761
FY 2007	18,000,000	29,295,548	47,295,548
FY 2008	19,000,000	30,963,448	49,963,448
FY 2009	<u>10,600,000</u>	<u>32,705,670</u>	<u>43,305,670</u>
Total Planned Future Appropriations	95,700,000	164,166,148	259,866,148
Planned General Obligation Bond Issues:			
FY 2004	64,700,000		
FY 2005	48,700,000		
FY 2006	40,400,000		
FY 2007	22,600,000		
FY 2008	<u>35,700,000</u>		
Total General Obligation Bond Issues	212,100,000		
Planned Other Sources			
Bond Interest Earnings	5,140,715		
General Fund Balance	4,200,000		
Sewer Fees	9,400,000		
Miscellaneous	<u>1,200,000</u>		
Total Planned Other Sources	19,940,715		
Current Sources:			
Capital Projects Fund Balance at 6/30/02	87,800,972		
General Fund Appropriation FY 2003	14,200,000		
General Fund Balances Designated for Subsequent Years' Capital Expenditures	12,300,000		
Bond Interest Earnings and Other Sources	<u>636,087</u>		
Total City-Funded Current Sources	114,937,059		
TOTAL CITY-FUNDED SOURCES			<u><u>442,677,774</u></u>
CITY FUNDED USES:			
Approved Capital Budgets through FY 2002:			
Prior Year Approved Projects at 2/28/03	50,686,667		
Prior Year Projects Allocated After 6/30/02	9,572,032		
FY 2003 Approved Capital Budget	<u>54,678,360</u>		
Total Approved Capital Budgets	114,937,059		
Proposed FY 2004 - FY 2009 City-Funded CIP:			
FY 2004 Proposed Capital Budget	86,594,838		
FY 2005 Proposed Capital Budget	66,319,806		
FY 2006 Proposed Capital Budget	60,026,855		
FY 2007 Proposed Capital Budget	44,117,152		
FY 2008 Proposed Capital Budget	57,238,305		
FY 2009 Proposed Capital Budget	<u>13,443,759</u>		
Total Proposed FY 2004- FY 2009CIP	327,740,715		
TOTAL CITY-FUNDED USES			<u><u>442,677,774</u></u>



FY 2004 - FY 2009 Capital Improvement
Program
Summary Tables

**Table 3.
Debt Service Indicators**

Fiscal Year	Total Debt Service	Outstanding Debt	General Expenditures	Assessed Value of Real Property	Population
FY 1992	\$14,173,013	\$64,550,000	\$267,381,588	11,219,663,400	115,000
FY 1993	13,640,181	54,875,000	271,404,113	11,100,242,100	116,000
FY 1994	10,283,070	60,380,000	280,836,633	10,849,723,700	116,400
FY 1995	11,050,739	52,255,000	290,760,163	10,846,601,602	117,000
FY 1996	10,112,095	44,725,000	312,902,626	10,926,409,000	117,300
FY 1997	9,289,745	37,610,000	326,248,912	11,163,428,300	117,600
FY 1998	8,827,610	30,585,000	354,805,740	11,605,290,200	119,500
FY 1999	6,350,549	65,710,000	380,736,909	12,187,519,600	121,700
FY 2000	8,866,071	114,690,000	393,588,056	13,295,307,700	123,200
FY 2001	12,382,315	107,875,000	401,555,221	14,632,349,200	128,283
FY 2002	16,015,996	153,925,000	452,671,072	16,272,679,700	134,000
FY 2003	17,483,024	143,615,000	475,304,626	19,348,250,400	134,242
FY 2004	20,945,117	197,020,000	499,069,857	20,315,662,920	136,229
FY 2005	22,723,604	233,280,000	524,023,350	21,128,289,437	138,215
FY 2006	27,532,761	257,830,000	550,224,517	21,973,421,014	139,045
FY 2007	29,295,548	263,500,000	577,735,743	22,852,357,855	139,875
FY 2008	30,963,448	281,140,000	606,622,530	23,766,452,169	140,705
FY 2009	32,705,670	261,295,000	636,953,657	24,717,110,256	142,112

**Table 3 (continued)
Debt Service Indicators**

Fiscal Year	Ratio of Debt Service to General Expenses	Outstanding Debt as a Percentage of Assessed Value of Real Property*	Debt per Capita as a Percentage of Per Capita Income
Ceiling	10.00%	1.60%	An amount equal to 3.25% of per capita income
Target	8.00%	1.10%	An amount equal to 2.25% of per capita income
FY 1992	5.30%	0.58%	1.61%
FY 1993	5.03%	0.49%	1.31%
FY 1994	3.66%	0.56%	1.34%
FY 1995	3.80%	0.48%	1.13%
FY 1996	3.23%	0.41%	0.91%
FY 1997	2.85%	0.34%	0.73%
FY 1998	2.49%	0.26%	0.55%
FY 1999	1.67%	0.54%	1.09%
FY 2000	2.25%	0.86%	1.88%
FY 2001	3.08%	0.74%	1.62%
FY 2002	3.54%	0.95%	2.11%
FY 2003	3.68%	0.74%	1.87%
FY 2004	4.20%	0.97%	2.41%
FY 2005	4.34%	1.10%	2.68%
FY 2006	5.00%	1.17%	2.80%
FY 2007	5.07%	1.15%	2.71%
FY 2008	5.10%	1.18%	2.74%
FY 2009	5.13%	1.06%	2.40%

*Includes general obligation bonds and term notes. In past years, total assessed value included real and personal property. Beginning in the FY 2000 - FY 2005 CIP, this indicator has been revised per the debt policies adopted on December 9, 1997, to include only real property.

**Table3 (continued)
Debt Service Indicators**

**General Fund Balance as a Percentage of General
Fund Revenue**

Fiscal Year	Unreserved	Undesignated
Floor	10.0%	4.0%
Target	n/a	5.5%
FY 1990	17.8%	9.9%
FY 1991	20.4%	9.4%
FY 1992	22.1%	7.2%
FY 1993	24.3%	7.6%
FY 1994	23.4%	7.6%
FY 1995	22.4%	6.6%
FY 1996	20.6%	5.5%
FY 1997	19.1%	6.7%
FY 1998	17.6%	7.6%
FY 1999	16.5%	6.9%
FY 2000	17.3%	6.5%
FY 2001	16.6%	6.7%
FY 2002	17.6%	6.8%

Source: Alexandria FY 2002 Comprehensive Annual Financial Report (CAFR)

Table 4. General Obligation Bond Repayment Schedules

Table 4, below, summarizes the annual debt service for all currently outstanding general obligation bond issues of the City of Alexandria. Tables 5 through 9, on the following pages, show the date of issue, the years remaining on the payment schedule, and the amount of principal and interest due each year for the individual bond issues.

**City of Alexandria, Virginia
Summary of Total General Obligation
Debt Service**

Fiscal Year	Principal	Interest	Total
2004	10,795,000	6,738,617	17,533,617
2005	9,640,000	6,298,854	15,938,854
2006	9,615,000	5,874,048	15,489,048
2007	8,675,000	5,465,360	14,140,360
2008	8,675,000	5,088,410	13,763,410
2009	8,675,000	4,704,870	13,379,870
2010	7,885,000	4,319,330	12,204,330
2011	7,885,000	3,950,455	11,835,455
2012	7,875,000	3,592,955	11,467,955
2013	7,875,000	3,227,850	11,102,850
2014	7,875,000	2,841,125	10,716,125
2015	7,875,000	2,439,500	10,314,500
2016	7,875,000	2,059,156	9,934,156
2017	7,875,000	1,661,469	9,536,469
2018	7,875,000	1,260,056	9,135,056
2019	7,875,000	858,644	8,733,644
2020	5,875,000	453,613	6,328,613
2021	2,895,000	141,131	3,036,131
Total	\$143,615,000	\$60,975,443	\$204,590,443

**Table 5. City of Alexandria, Virginia
GENERAL BOND OBLIGATION ISSUE OF \$54.5 MILLION (JULY, 2001)
Debt Outstanding at June 30, 2003**

Fiscal Year	Principal	Interest	Total
2004	2,900,000	2,257,480	5,157,480
2005	2,900,000	2,163,230	5,063,230
2006	2,900,000	2,047,230	4,947,230
2007	2,900,000	1,942,830	4,842,830
2008	2,900,000	1,832,630	4,732,630
2009	2,900,000	1,716,630	4,616,630
2010	2,900,000	1,600,630	4,500,630
2011	2,900,000	1,481,005	4,381,005
2012	2,895,000	1,357,755	4,252,755
2013	2,895,000	1,230,375	4,125,375
2014	2,895,000	1,100,100	3,995,100
2015	2,895,000	969,825	3,864,825
2016	2,895,000	835,931	3,730,931
2017	2,895,000	698,419	3,593,419
2018	2,895,000	560,906	3,455,906
2019	2,895,000	423,394	3,318,394
2020	2,895,000	282,263	3,177,263
2021	2,895,000	141,131	3,036,131
Total	\$52,150,000	\$22,641,764	\$74,791,764

Table 6. City of Alexandria, Virginia
GENERAL BOND OBLIGATION ISSUE OF \$55.0 MILLION (6/15/2000)
 Debt Outstanding at June 30, 2003

Fiscal Year	Principal	Interest	Total
2004	2,985,000	2,654,200	5,639,200
2005	2,985,000	2,497,488	5,482,488
2006	2,985,000	2,348,238	5,333,238
2007	2,985,000	2,206,450	5,191,450
2008	2,985,000	2,057,200	5,042,200
2009	2,985,000	1,907,950	4,892,950
2010	2,985,000	1,758,700	4,743,700
2011	2,985,000	1,609,450	4,594,450
2012	2,980,000	1,460,200	4,440,200
2013	2,980,000	1,307,475	4,287,475
2014	2,980,000	1,151,025	4,131,025
2015	2,980,000	979,675	3,959,675
2016	2,980,000	823,225	3,803,225
2017	2,980,000	663,050	3,643,050
2018	2,980,000	499,150	3,479,150
2019	2,980,000	335,250	3,315,250
2020	2,980,000	171,350	3,151,350
Total	\$50,700,000	\$24,430,076	\$75,130,076

**Table 7. City of Alexandria, Virginia
GENERAL BOND OBLIGATION ISSUE OF \$34.0 MILLION (1/1/1999)
Debt Outstanding at June 30, 2003**

Fiscal Year	Principal	Interest	Total
2004	2,000,000	1,418,000	3,418,000
2005	2,000,000	1,346,000	3,346,000
2006	2,000,000	1,272,000	3,272,000
2007	2,000,000	1,196,000	3,196,000
2008	2,000,000	1,118,000	3,118,000
2009	2,000,000	1,040,000	3,040,000
2010	2,000,000	960,000	2,960,000
2011	2,000,000	860,000	2,860,000
2012	2,000,000	775,000	2,775,000
2013	2,000,000	690,000	2,690,000
2014	2,000,000	590,000	2,590,000
2015	2,000,000	490,000	2,490,000
2016	2,000,000	400,000	2,400,000
2017	2,000,000	300,000	2,300,000
2018	2,000,000	200,000	2,200,000
2019	2,000,000	100,000	2,100,000
Total	\$32,000,000	\$12,755,000	\$44,755,000

Table 8. City of Alexandria, Virginia

GENERAL OBLIGATION BOND ISSUE OF \$22.7 MILLION (3/1/94)
Debt Outstanding at June 30, 2003

Fiscal Year	Principal	Interest	Total
2004	1,785,000	376,031	2,161,031
2005	1,755,000	292,136	2,047,136
2006	1,730,000	206,580	1,936,580
2007	790,000	120,080	910,080
2008	790,000	80,580	870,580
2009	790,000	40,290	830,290
Total	\$7,640,000	\$1,115,697	\$8,755,697

Table 9. City of Alexandria, Virginia
GENERAL OBLIGATION REFUNDING BOND ISSUE OF \$23.5 MILLION (3/1/92)*
Debt Outstanding at June 30, 2003

Fiscal Year	Principal	Interest	Total
2004	1,125,000	32,906	1,157,906
Total	\$1,125,000	\$32,906	\$1,157,906

* Bond issue refinanced previously existing debt in order to take advantage of lower interest rates.

Table 10. Projects Closed

The following projects, which were included in the Approved FY 2003 - FY 2008 CIP, have been deleted from the Proposed FY 2004 - FY 2009 CIP for the reasons noted below:

<u>Project</u>	<u>Title</u>
004-712	Skate Park

The balance of monies for this project were allocated on September 24, 2002 and used for the construction of a new skate park at Lockett Field. Construction of the new park is scheduled to be completed in Summer 2003.

<u>Project</u>	<u>Title</u>
004-709	Trail Lighting

The balance of monies for this project were allocated on April 23, 2002 and used for trail lighting along the paved pathway from North Pickett Street to the Beatley Bridge at Holmes Run.

FY 2004 - FY 2008

Capital Improvement Program

Funding Totals



Table 11.
Summary of Capital Improvement Program by Project Group
FY 2004 - FY 2009

	By Funding Source				REMAINING CITY COST
	TOTAL COST	STATE & FEDERAL GRANTS, REALLOCATIONS AND OTHERS	NET CITY COST	LESS PRIOR YEAR CARRY FORWARD FROM 10/29/02 THROUGH 6/30/03	
SCHOOLS	\$130,525,185	\$0	\$130,525,185	\$0	\$130,525,185
LIBRARIES	2,116,316	0	2,116,316	1,583,316	533,000
COMMUNITY DEVELOPMENT	4,285,604	900,000	3,385,604	1,780,604	1,605,000
RECREATION AND PARKS	40,589,111	1,090,000	39,499,111	944,791	38,554,320
PUBLIC BUILDINGS	100,035,891	377,850	99,657,841	14,038,481	85,619,360
REGIONAL PUBLIC SAFETY	1,132,958	0	1,132,958	126,275	1,006,683
TRAFFIC IMPROVEMENTS/RAPID TRANSIT	48,393,711	35,735,000	12,658,711	1,678,711	10,980,000
STREETS AND BRIDGES	135,029,095	115,033,248	19,995,847	8,201,367	11,794,480
STORM SEWERS	9,640,170	617,670	9,022,500	5,959,500	3,063,000
SANITARY SEWERS	38,409,190	1,073,000	37,336,190	13,110,190	24,226,000
INFORMATION TECHNOLOGY PLAN *	32,868,431	10,507,778	22,360,655	3,263,432	19,097,223
OTHER EDUCATION	736,464	0	736,464	0	736,464
TOTAL	\$543,761,926	\$165,334,544	\$378,427,382	\$50,686,667	\$327,740,715

* The Information Technology Plan includes expenditures for the Public Safety Radio System.

City Share by Program Year

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL
SCHOOLS	\$38,716,352	\$39,380,738	\$39,135,095	\$7,936,000	\$2,991,000	\$2,366,000	\$130,525,185
LIBRARIES	533,000	0	0	0	0	0	533,000
COMMUNITY DEVELOPMENT	500,000	700,000	100,000	100,000	100,000	105,000	1,605,000
RECREATION AND PARKS	2,448,220	5,073,220	5,213,220	22,273,220	2,273,220	1,273,220	38,554,320
PUBLIC BUILDINGS	26,169,083	6,320,297	3,957,500	3,936,500	44,134,500	1,101,500	85,619,360
REGIONAL PUBLIC SAFETY	177,421	174,953	169,905	165,755	159,503	159,146	1,006,683
TRAFFIC IMPROVEMENTS/RAPID TRANSIT	1,830,000	1,830,000	1,830,000	1,830,000	1,830,000	1,830,000	10,980,000
STREETS AND BRIDGES	2,691,080	2,114,800	1,692,000	1,791,580	1,690,660	1,814,380	11,794,480
STORM SEWERS	748,000	553,000	553,000	403,000	403,000	403,000	3,063,000
SANITARY SEWERS	5,835,000	7,271,000	4,350,000	2,970,000	1,530,000	2,270,000	24,226,000
INFORMATION TECHNOLOGY PLAN *	6,816,602	2,781,214	2,905,208	2,589,845	2,004,805	1,999,549	19,097,223
OTHER EDUCATION	130,100	120,584	120,927	121,272	121,617	121,964	736,464
TOTAL	\$86,594,838	\$66,319,806	\$60,026,855	\$44,117,162	\$67,238,305	\$13,443,759	\$327,740,715

* The Information Technology Plan includes expenditures for the Public Safety Radio System.

Table 12.
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

By Funding Source

	TOTAL COST	STATE & FEDERAL GRANTS, REALLOCATIONS, AND OTHERS	NET CITY COST	CARRY FORWARD FROM 10/29/02 THROUGH 06/30/03	REMAINING CITY COST
SUBFUND: 001 SCHOOLS					
SCHOOL FACILITIES 1\	\$130,525,185	\$0	\$130,525,185	\$0	\$130,525,185
SUBTOTAL	\$130,525,185	\$0	\$130,525,185	\$0	\$130,525,185
SUBFUND: 002 LIBRARIES					
BRANCH LIBRARIES	\$2,116,316	\$0	\$2,116,316	\$1,583,316	\$533,000
SUBTOTAL	\$2,116,316	\$0	\$2,116,316	\$1,583,316	\$533,000
SUBFUND: 003 COMMUNITY DEVELOPMENT					
DOWNTOWN TRANSPORTATION	\$5,000	\$0	\$5,000	\$0	\$5,000
MT. VERNON AVENUE IMPROVEMENTS	1,393,604	0	1,393,604	593,604	800,000
MUNICIPAL WATERFRONT IMPROVEMENTS	100,000	0	100,000	100,000	0
ROUTE 1 BEAUTIFICATION	20,000	0	20,000	20,000	0
STREAMS MAINTENANCE/WATERFRONT DREDGING	1,640,000	900,000	740,000	40,000	700,000
SAMUEL MADDEN HOMES REDEVELOPMENT	1,027,000	0	1,027,000	1,027,000	0
ARLANDRIA REDEVELOPMENT	100,000	0	100,000	0	100,000
SUBTOTAL	\$4,285,604	\$900,000	\$3,385,604	\$1,780,604	\$1,605,000
SUBFUND: 004 RECREATION AND PARKS					
BIKE TRAILS	\$462,000	\$0	\$462,000	\$0	\$462,000
CAMERON STATION	25,000	0	25,000	25,000	0
CHINQUAPIN PARK AND REC CENTER	20,026,000	0	20,026,000	26,000	20,000,000
FOUR MILE RUN PARK	0	0	0	0	0
FORT WARD PARK	280,000	60,000	220,000	8,000	212,000
LANDSCAPING OF PUBLIC SITES	870,000	30,000	840,000	0	840,000
NORTHERN VIRGINIA REGIONAL PARK	1,765,320	0	1,765,320	0	1,765,320
PARK IMPROVEMENTS	4,307,000	1,000,000	3,307,000	47,000	3,260,000
LAND ACQUISITION	1,600,000	0	1,600,000	400,000	1,200,000
RECREATION FACILITIES IMPROVEMENTS	11,253,791	0	11,253,791	438,791	10,815,000
SUBTOTAL	\$40,589,111	\$1,090,000	\$39,499,111	\$944,791	\$38,554,320
SUBFUND: 005 PUBLIC BUILDINGS					
PRESERVATION OF HISTORIC BUILDINGS	\$1,180,728	\$0	\$1,180,728	\$1,080,728	\$100,000
ANIMAL SHELTER	247,000	0	247,000	0	247,000
ENERGY CONSERVATION	600,000	0	600,000	150,000	450,000
MARKET SQUARE RENOVATIONS	2,500,000	0	2,500,000	1,300,000	1,200,000
BUILDING CODE COMPLIANCE	385,000	0	385,000	0	385,000
CITY FACILITY RENOVATION/MAINTENANCE	94,998,963	377,850	94,621,113	11,383,753	83,237,360
CITY VISITOR CENTER	124,000	0	124,000	124,000	0
SUBTOTAL	\$100,035,691	\$377,850	\$99,657,841	\$14,038,481	\$85,619,360
SUBFUND: 008 REGIONAL PUBLIC SAFETY					
PEUMANSEND CREEK REGIONAL JAIL	\$1,127,958	\$0	\$1,127,958	\$126,275	\$1,001,683
DRIVER TRAINING TRACK	\$5,000	\$0	\$5,000	\$0	\$5,000
SUBTOTAL	\$1,132,958	\$0	\$1,132,958	\$126,275	\$1,006,683

1\ Please refer to the Alexandria City Public Schools adopted Capital Improvement Program for detailed information on school capital projects, available from the Office of the Assistant Superintendent for Finance and Administration.

Table 12.
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

By Funding Source

	TOTAL COST	STATE & FEDERAL GRANTS, REALLOCATIONS, AND OTHERS	NET CITY COST	CARRY FORWARD FROM 10/29/02 THROUGH 06/30/03	REMAINING CITY COST
SUBFUND: 009 TRAFFIC IMPROVEMENTS AND RAPID TRANSIT					
TRAFFIC FACILITIES	\$9,600,000	\$3,750,000	\$5,850,000	\$750,000	\$5,100,000
BUS REPLACEMENT/BUS SHELTERS	8,413,191	8,085,000	328,191	148,191	180,000
METRO BUS/RAIL CAPITAL	29,600,000	23,900,000	5,700,000	0	5,700,000
RAIL RAPID TRANSIT	780,520	0	780,520	780,520	0
SUBTOTAL	\$48,393,711	\$35,735,000	\$12,658,711	\$1,678,711	\$10,980,000
SUBFUND: 011 STREETS AND BRIDGES					
POTOMAC YARD ROAD AND BRIDGE IMPROVEMENTS	42,081,400	41,646,000	435,400	223,340	212,060
FLOOD CONTROL TUNNELS	210,322	0	210,322	210,322	0
BRIDGE REPAIRS	2,675,000	0	2,675,000	975,000	1,700,000
DUKE STREET FLYOVER	80,000	0	80,000	0	80,000
KING & BEAUREGARD INTERSECTION	32,479,000	31,711,860	767,140	327,720	439,420
KING STREET METRO AREA IMPROVEMENTS	15,757,073	14,782,088	974,985	974,985	0
MILL ROAD REALIGNMENT	5,100,000	4,900,000	200,000	100,000	100,000
STREET AND PEDESTRIAN IMPROVEMENTS	29,306,300	21,993,300	7,313,000	2,250,000	5,063,000
SIDEWALK, CURB AND GUTTER	1,000,000	0	1,000,000	400,000	600,000
UTILITY UNDERGROUNDING/STREET LIGHTING	6,340,000	0	6,340,000	2,740,000	3,600,000
SUBTOTAL	\$135,029,095	\$115,033,248	\$19,995,847	\$8,201,367	\$11,794,480
SUBFUND: 012 STORM SEWERS					
RECONSTRUCTION/EXTENSION STORM SEWERS	\$6,227,500	\$0	\$6,227,500	\$3,164,500	\$3,063,000
ORONOCO OUTFALL	\$3,412,670	\$617,670	\$2,795,000	\$2,795,000	\$0
SUBTOTAL	\$9,640,170	\$617,670	\$9,022,500	\$5,959,500	\$3,063,000
SUBFUND: 013 SANITARY SEWERS					
RECONSTRUCTION/EXTENSION SANITARY SEWERS	\$3,780,000	\$0	\$3,780,000	\$360,000	\$3,420,000
SEWER REHABILITATION AND ABATEMENT	34,629,190	1,073,000	33,556,190	12,750,190	20,806,000
SUBTOTAL	\$38,409,190	\$1,073,000	\$37,336,190	\$13,110,190	\$24,226,000
SUBFUND: 015 INFORMATION TECHNOLOGY PLAN					
CONNECTIVITY PROJECTS	\$14,359,628	\$6,500,000	\$7,859,628	\$572,800	\$7,286,828
SYSTEMS DEVELOPMENT 2 ¹	18,508,803	4,007,776	14,501,027	2,690,632	11,810,395
SUBTOTAL	\$32,868,431	\$10,507,776	\$22,360,655	\$3,263,432	\$19,097,223
SUBFUND: 016 OTHER EDUCATION					
NORTHERN VIRGINIA COMMUNITY COLLEGE	\$736,464	\$0	\$736,464	\$0	\$736,464
SUBTOTAL	\$736,464	\$0	\$736,464	\$0	\$736,464
TOTAL ALL FUNDS	\$543,761,926	\$165,334,544	\$378,427,382	\$50,686,667	\$327,740,715

¹ Systems Development includes the Public Safety Radio System. The Traffic Control Computer project was moved out of the IT Plan in the FY 2002 - FY 2007 CIP and now can be found under the Traffic Control Facilities project.

Table 13.
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

	City Share by Program Year						TOTAL
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	
SUBFUND: 001 SCHOOLS							
SCHOOL FACILITIES 1 ¹⁾	\$38,716,352	\$39,380,738	\$39,135,095	\$7,936,000	\$2,991,000	\$2,366,000	\$130,525,185
SUBTOTAL	\$38,716,352	\$39,380,738	\$39,135,095	\$7,936,000	\$2,991,000	\$2,366,000	\$130,525,185
SUBFUND: 002 LIBRARIES							
BRANCH LIBRARIES	\$533,000	\$0	\$0	\$0	\$0	\$0	\$533,000
SUBTOTAL	\$533,000	\$0	\$0	\$0	\$0	\$0	\$533,000
SUBFUND: 003 COMMUNITY DEVELOPMENT							
DOWNTOWN TRANSPORTATION/PARKING	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000
MT. VERNON AVENUE IMPROVEMENTS	200,000	800,000	0	0	0	0	800,000
MUNICIPAL WATERFRONT IMPROVEMENTS	0	0	0	0	0	0	0
ROUTE 1 BEAUTIFICATION	0	0	0	0	0	0	0
STREAMS MAINTENANCE/WATERFRONT DREDGING	200,000	100,000	100,000	100,000	100,000	100,000	700,000
SAMUEL MADDEN HOMES REDEVELOPMENT	0	0	0	0	0	0	0
ARLANDRIA REDEVELOPMENT	100,000	0	0	0	0	0	100,000
SUBTOTAL	\$500,000	\$700,000	\$100,000	\$100,000	\$100,000	\$105,000	\$1,605,000
SUBFUND: 004 RECREATION AND PARKS							
BIKE TRAILS	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000	\$462,000
CAMERON STATION	0	0	0	0	0	0	0
CHINQUAPIN PARK AND REC CENTER	0	0	0	20,000,000	0	0	20,000,000
FOUR MILE RUN PARK	0	0	0	0	0	0	0
FORT WARD PARK	12,000	12,000	152,000	12,000	12,000	12,000	212,000
LANDSCAPING OF PUBLIC SITES	140,000	140,000	140,000	140,000	140,000	140,000	840,000
NORTHERN VIRGINIA REGIONAL PARK	294,220	294,220	294,220	294,220	294,220	294,220	1,765,320
PARK IMPROVEMENTS	210,000	210,000	210,000	1,210,000	1,210,000	210,000	3,260,000
LAND ACQUISITION	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
RECREATION FACILITIES IMPROVEMENTS	1,515,000	4,140,000	4,140,000	340,000	340,000	340,000	10,815,000
SUBTOTAL	\$2,448,220	\$5,073,220	\$5,213,220	\$22,273,220	\$2,273,220	\$1,273,220	\$38,554,320
SUBFUND: 005 PUBLIC BUILDINGS							
PRESERVATION OF HISTORIC BUILDINGS	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000
ANIMAL SHELTER	242,000	0	0	0	0	5,000	247,000
ENERGY CONSERVATION	75,000	75,000	75,000	75,000	75,000	75,000	450,000
BUILDING CODE COMPLIANCE	55,000	110,000	110,000	110,000	0	0	385,000
MARKET SQUARE RENOVATIONS	1,200,000	0	0	0	0	0	1,200,000
CITY FACILITY RENOVATION/MAINTENANCE	24,497,063	6,135,297	3,772,500	3,751,500	44,059,500	1,021,500	83,237,360
CITY VISITOR CENTER	0	0	0	0	0	0	0
SUBTOTAL	\$26,169,063	\$6,320,297	\$3,957,500	\$3,936,500	\$44,134,500	\$1,101,500	\$85,619,360
SUBFUND: 006 REGIONAL PUBLIC SAFETY							
PEUMANSEND CREEK REGIONAL JAIL	\$177,421	\$174,953	\$169,905	\$165,755	\$159,503	\$154,146	\$1,001,683
DRIVER TRAINING TRACK	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000
SUBTOTAL	\$177,421	\$174,953	\$169,905	\$165,755	\$159,503	\$159,146	\$1,006,683

¹⁾ Please refer to the Alexandria City Public Schools adopted Capital Improvement Program for detailed information on school capital projects, available from the Office of the Assistant Superintendent for Finance and Administration.

Table 13.
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

	City Share by Program Year						TOTAL
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	
SUBFUND: 009 TRAFFIC IMPROVEMENTS AND RAPID TRANSIT							
TRAFFIC CONTROL FACILITIES	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$5,100,000
BUS REPLACEMENT/BUS SHELTERS	30,000	30,000	30,000	30,000	30,000	30,000	180,000
METRO BUS/RAIL CAPITAL	950,000	950,000	950,000	950,000	950,000	950,000	5,700,000
RAIL RAPID TRANSIT	0	0	0	0	0	0	0
SUBTOTAL	\$1,830,000	\$1,830,000	\$1,830,000	\$1,830,000	\$1,830,000	\$1,830,000	\$10,980,000
SUBFUND: 011 STREETS AND BRIDGES							
POTOMAC YARD ROAD AND BRIDGE IMPROVEMENTS	70,240	64,120	64,300	13,400	0	0	212,060
FLOOD CONTROL TUNNELS	0	0	0	0	0	0	0
BRIDGE REPAIRS	450,000	250,000	250,000	250,000	250,000	250,000	1,700,000
DUKE STREET FLYOVER	0	80,000	0	0	0	0	80,000
KING & BEAUREGARD INTERSECTION	840	27,680	52,700	103,160	115,660	139,380	439,420
KING STREET METRO AREA IMPROVEMENTS	0	0	0	0	0	0	0
EISENHOWER AVENUE WIDENING	100,000	268,000	0	0	0	0	368,000
MILL ROAD REALIGNMENT	100,000	0	0	0	0	0	100,000
STREET AND PEDESTRIAN IMPROVEMENTS	1,270,000	725,000	625,000	725,000	625,000	725,000	4,695,000
SIDEWALK, CURB AND GUTTER	100,000	100,000	100,000	100,000	100,000	100,000	600,000
UTILITY UNDERGROUNDING/STREET LIGHTING	600,000	600,000	600,000	600,000	600,000	600,000	3,600,000
SUBTOTAL	\$2,691,080	\$2,114,800	\$1,692,000	\$1,791,560	\$1,690,660	\$1,814,380	\$11,794,480
SUBFUND: 012 STORM SEWERS							
RECONSTRUCTION/EXTENSION STORM SEWERS	\$748,000	\$553,000	\$553,000	\$403,000	\$403,000	\$403,000	\$3,063,000
ORONOCO OUTFALL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$748,000	\$553,000	\$553,000	\$403,000	\$403,000	\$403,000	\$3,063,000
SUBFUND: 013 SANITARY SEWERS							
RECONSTRUCTION/EXTENSION SANITARY SEWERS	\$820,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$3,420,000
SEWER REHABILITATION AND ABATEMENT	5,015,000	6,751,000	3,830,000	2,450,000	1,010,000	1,750,000	20,806,000
SUBTOTAL	\$5,835,000	\$7,271,000	\$4,350,000	\$2,970,000	\$1,530,000	\$2,270,000	\$24,226,000
SUBFUND: 015 INFORMATION TECHNOLOGY PLAN							
CONNECTIVITY PROJECTS	\$1,198,207	\$1,021,214	\$1,574,208	\$1,194,845	\$1,154,805	\$1,143,549	\$7,286,828
SYSTEMS DEVELOPMENT	5,618,395	1,760,000	1,331,000	1,395,000	850,000	855,000	11,810,395
SUBTOTAL	\$6,816,602	\$2,781,214	\$2,905,208	\$2,589,845	\$2,004,805	\$1,998,549	\$19,097,223
SUBFUND: 016 OTHER EDUCATION							
NORTHERN VIRGINIA COMMUNITY COLLEGE	\$130,100	\$120,584	\$120,927	\$121,272	\$121,617	\$121,964	\$736,464
SUBTOTAL	\$130,100	\$120,584	\$120,927	\$121,272	\$121,617	\$121,964	\$736,464
TOTAL ALL FUNDS	\$86,594,838	\$66,319,806	\$60,026,855	\$44,117,152	\$57,238,305	\$13,443,759	\$327,740,715

SUMMARY
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

City Share by Program Year

	UNALLOCATED PRIOR YEAR	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL1
SUBFUND: 001 SCHOOLS								
SCHOOL FACILITIES 11	\$0	\$38,716,352	\$39,380,738	\$39,135,095	\$7,936,000	\$2,991,000	\$2,366,000	\$130,525,185
SUBFUND 001 SUBTOTAL	\$0	\$38,716,352	\$39,380,738	\$39,135,095	\$7,936,000	\$2,991,000	\$2,366,000	\$130,525,185
SUBFUND: 002 LIBRARIES								
BARRETT LIBRARY	\$483,316	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DUNCAN LIBRARY	\$1,100,000	\$533,000	\$0	\$0	\$0	\$0	\$0	\$533,000
SUBFUND 002 SUBTOTAL	\$1,583,316	\$533,000	\$0	\$0	\$0	\$0	\$0	\$533,000
SUBFUND: 003 COMMUNITY DEVELOPMENT								
DOWNTOWN TRANSPORTATION/PARKING	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000
MT. VERNON AVENUE IMPROVEMENTS	593,604	200,000	600,000	0	0	0	0	800,000
MUNICIPAL WATERFRONT IMPROVEMENTS	100,000	0	0	0	0	0	0	0
ROUTE 1 BEAUTIFICATION	20,000	0	0	0	0	0	0	0
FOUR MILE RUN CHANNEL MAINTENANCE	0	0	0	0	0	0	0	0
CITY MARINA WATERFRONT DREDGING	40,000	100,000	0	0	0	0	0	100,000
STREAMS MAINTENANCE	0	100,000	100,000	100,000	100,000	100,000	100,000	600,000
ARLANDRIA REDEVELOPMENT	0	100,000	0	0	0	0	0	100,000
SAMUEL MADDEN HOMES REDEVELOPMENT	1,027,000	0	0	0	0	0	0	0
SUBFUND 003 SUBTOTAL	\$1,780,604	\$500,000	\$700,000	\$100,000	\$100,000	\$100,000	\$105,000	\$1,605,000
SUBFUND: 004 RECREATION AND PARKS								
BIKE TRAILS	\$0	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000	\$462,000
CAMERON STATION	25,000	0	0	0	0	0	0	0
CHINQUAPIN PARK AND REC CENTER	26,000	0	0	0	20,000,000	0	0	20,000,000
FOUR MILE RUN PARK	0	0	0	0	0	0	0	0
FORT WARD PARK	8,000	12,000	12,000	152,000	12,000	12,000	12,000	212,000
LANDSCAPING OF PUBLIC SITES	0	140,000	140,000	140,000	140,000	140,000	140,000	840,000
NORTHERN VIRGINIA REGIONAL PARK	0	294,220	294,220	294,220	294,220	294,220	294,220	1,765,320
LAND ACQUISITION	400,000	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
PARK IMPROVEMENTS								
ADA REQUIREMENTS	\$0	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$150,000
DRAINAGE IMPROVEMENTS	12,000	0	0	0	0	0	0	0
WINDMILL HILL PARK	11,000	0	0	0	1,000,000	1,000,000	0	2,000,000
ATHLETIC FIELD IMPROVEMENTS	0	80,000	80,000	80,000	80,000	80,000	80,000	480,000
PLAYGROUND RENOVATIONS	0	60,000	60,000	60,000	60,000	60,000	60,000	360,000
DORA KELLY NATURE PRESERVE	0	0	0	0	0	0	0	0
MONTICELLO PARK	24,000	0	0	0	0	0	0	0
BALL COURTS RENOVATIONS	0	45,000	45,000	45,000	45,000	45,000	45,000	270,000
PARK SUBTOTAL	\$47,000	\$210,000	\$210,000	\$210,000	\$1,210,000	\$1,210,000	\$210,000	\$3,260,000
RECREATION FACILITIES IMPROVEMENTS								
PATRICK HENRY REC CENTER	\$0	\$0	\$1,750,000	\$1,750,000	\$0	\$0	\$0	\$3,500,000
C. HOUSTON REC CENTER	0	0	2,050,000	2,050,000	0	0	0	4,100,000
DURANT REC CENTER	0	0	0	0	0	0	0	0
CHARLES HOUSTON REC CENTER	0	0	0	0	0	0	0	0
RECREATION RENOVATIONS	70,171	250,000	250,000	250,000	250,000	250,000	250,000	1,500,000
FACILITIES AND LEISURE ASSESSMENT	0	0	0	0	0	0	0	0
PUBLIC POOLS	265,000	90,000	90,000	90,000	90,000	90,000	90,000	540,000
LEE RECREATION CENTER	88,000	25,000	0	0	0	0	0	25,000
MT VERNON RECREATION CENTER	15,620	0	0	0	0	0	0	0
BUDDIE FORD NATURE CENTER	0	1,150,000	0	0	0	0	0	1,150,000
FACILITIES SUBTOTAL	\$438,791	\$1,515,000	\$4,140,000	\$4,140,000	\$340,000	\$340,000	\$340,000	\$10,815,000
SUBFUND 004 SUBTOTAL	\$944,791	\$2,448,220	\$5,073,220	\$5,213,220	\$22,273,220	\$2,273,220	\$1,273,220	\$38,554,320

11 Total does not include Unallocated Prior Year

SUMMARY
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

City Share by Program Year

	UNALLOCATED PRIOR YEAR	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL11
SUBFUND: 005 PUBLIC BUILDINGS								
<u>PRESERVATION OF HISTORIC BUILDINGS</u>								
LYCEUM	\$197,028	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GADSBY'S TAVERN	367,000	100,000	0	0	0	0	0	100,000
APOTHECARY	515,000	0	0	0	0	0	0	0
LLOYD HOUSE	0	0	0	0	0	0	0	0
FRIENDSHIP FIRE HOUSE	0	0	0	0	0	0	0	0
BLACK HISTORY MUSEUM	1,700	0	0	0	0	0	0	0
HISTORIC BLDGS SUBTOTAL	\$1,080,728	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000
ANIMAL SHELTER	\$0	242,000	0	0	0	0	5,000	247,000
ENERGY CONSERVATION	150,000	75,000	75,000	75,000	75,000	75,000	75,000	450,000
BUILDING CODE COMPLIANCE	0	55,000	110,000	110,000	110,000	0	0	385,000
MARKET SQUARE RENOVATIONS	1,300,000	1,200,000	0	0	0	0	0	1,200,000
<u>CITY FACILITY RENOVATION/MAINTENANCE</u>								
JMPOUND OFFICE	\$10,000	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000
CITY HALL (SPACE MGMT PROGRAM)	0	330,000	798,000	721,000	275,000	0	0	2,124,000
COURTHOUSE	2,864,635	81,900	34,897	0	0	0	0	96,797
HEALTH CENTER	1,276,726	519,893	0	0	0	0	0	519,893
PUBLIC SAFETY CENTER	3,831,000	20,269,000	2,283,000	2,130,000	2,710,000	43,170,000	790,000	71,382,000
DETENTION CENTER (JAIL)	237,200	218,000	0	0	0	0	0	218,000
PAYNE STREET STORAGE	85,000	25,000	0	0	0	0	0	25,000
TBS MAINTENANCE FACILITY	50,820	0	0	0	0	0	0	0
TES/RECREATION FACILITY	0	415,000	1,400,000	0	0	0	0	1,815,000
TES/GS TRUCK WASH	499,000	0	0	0	0	0	0	0
UNION STATION	170,000	0	0	0	0	0	0	0
CAPITAL FACILITIES MAINTENANCE	225,000	515,000	515,000	515,000	515,000	515,000	0	2,575,000
HANDICAPPED ACCESS (ADA)	347,896	25,000	25,000	25,000	25,000	25,000	0	125,000
TORPEDO FACTORY	296,600	690,000	690,000	0	0	0	0	1,380,000
ENVIRONMENTAL COMPLIANCE	475,000	25,000	0	0	0	0	0	25,000
MH RESIDENTIAL FACILITIES	0	293,770	162,900	155,000	0	123,000	0	734,670
FLORA KRAUSE CASEY	80,626	0	0	0	0	0	0	0
PATRICK STREET FACILITY	0	795,000	0	0	0	0	0	795,000
405 CAMERON STREET	325,000	0	0	0	0	0	0	0
HUMAN SERVICES	345,000	0	0	0	0	0	0	0
ITS SPACE	184,250	0	0	0	0	0	0	0
FIRE STATION RENOVATIONS	80,000	314,500	226,500	226,500	226,500	226,500	226,500	1,447,000
CITY FACILITIES RENOV SUBTOTAL	\$11,383,753	\$24,497,063	\$6,135,297	\$3,772,500	\$3,751,500	\$44,059,500	\$1,021,500	\$83,237,360
CITY VISITOR CENTER	\$124,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUBFUND 005 SUBTOTAL	\$14,038,481	\$26,169,063	\$6,320,297	\$3,957,500	\$3,936,500	\$44,134,500	\$1,101,500	\$85,619,360
SUBFUND: 008 REGIONAL PUBLIC SAFETY								
PEUMANSEND CREEK REGIONAL JAIL	\$126,275	\$177,421	\$174,853	\$169,905	\$165,755	\$159,503	\$154,146	\$1,001,683
DRIVER TRAINING TRACK	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000
SUBFUND 008 SUBTOTAL	\$126,275	\$177,421	\$174,853	\$169,905	\$165,755	\$159,503	\$159,146	\$1,006,683
SUBFUND: 009 TRAFFIC IMPROVEMENTS AND RAPID TRANSIT								
TRAFFIC CONTROL FACILITIES	\$250,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$5,100,000
TRAFFIC COMPUTER UPGRADE	500,000	0	0	0	0	0	0	0
BUS REPLACEMENT	118,191	0	0	0	0	0	0	0
BUS SHELTERS	30,000	30,000	30,000	30,000	30,000	30,000	30,000	180,000
METRO BUS/RAIL CAPITAL	0	950,000	950,000	950,000	950,000	950,000	950,000	5,700,000
RAIL RAPID TRANSIT	780,520	0	0	0	0	0	0	0
SUBFUND 009 SUBTOTAL	\$1,678,711	\$1,830,000	\$1,830,000	\$1,830,000	\$1,830,000	\$1,830,000	\$1,830,000	\$10,980,000

SUMMARY
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

City Share by Program Year

	UNALLOCATED PRIOR YEAR	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL1
<u>SUBFUND: 011 STREETS AND BRIDGES</u>								
POTOMAC YARD ROAD AND BRIDGE IMPROVEMENTS	\$223,340	\$70,240	\$64,120	\$64,300	\$13,400	\$0	\$0	\$212,060
FLOOD CONTROL TUNNELS	210,322	0	0	0	0	0	0	0
BRIDGE REPAIRS	975,000	450,000	250,000	250,000	250,000	250,000	250,000	1,700,000
DUKE ST FLYOVER	0	0	80,000	0	0	0	0	80,000
KING & BEAUREGARD INTERSECTION	327,720	840	27,680	52,700	103,160	115,660	139,380	439,420
KING STREET METRO AREA IMPROVEMENTS	345,073	0	0	0	0	0	0	0
COMMUTER PEDESTRIAN IMPROVEMENTS	628,912	0	0	0	0	0	0	0
EISENHOWER AVE WIDENING	0	100,000	268,000	0	0	0	0	368,000
MILL ROAD REALIGNMENT	100,000	100,000	0	0	0	0	0	100,000
STREET&BRIDGES SUBTOTAL	\$2,811,367	\$721,080	\$689,800	\$367,000	\$366,560	\$365,660	369,380	2,899,480
<u>STREET AND PEDESTRIAN IMPROVEMENTS</u>								
STREET RECONSTRUCTIONS	\$252,500	\$120,000	\$75,000	\$75,000	\$75,000	\$75,000	75,000	495,000
INFRASTRUCTURE IMPROVEMENTS	\$150,000	0	0	0	0	0	0	0
WEST END STREET	236,000	0	100,000	0	100,000	0	100,000	300,000
NE TRAFFIC PLAN	0	0	0	0	0	0	0	0
KING/BRADLEE	0	0	0	0	0	0	0	0
VAN DORN STREET	100,000	0	0	0	0	0	0	0
BRADDOCK ROAD	200,000	0	0	0	0	0	0	0
FILMORE STREET	0	0	0	0	0	0	0	0
TENNESSEE AVENUE	186,500	0	0	0	0	0	0	0
BEVERLY DRIVE	100,000	0	0	0	0	0	0	0
PINE STREET	50,000	0	0	0	0	0	0	0
BIRCH STREET	50,000	0	0	0	0	0	0	0
MACARTHUR ROAD	50,000	0	0	0	0	0	0	0
S. UNION STREET	0	0	0	0	0	0	0	0
N. FRAZIER STREET	85,000	0	0	0	0	0	0	0
N. FROST STREET	25,000	0	0	0	0	0	0	0
LAWRENCE STREET	0	150,000	0	0	0	0	0	150,000
RECONSTRUCTION DUE TO SEWERS	0	150,000	150,000	150,000	150,000	150,000	150,000	900,000
LINDEN STREET	165,000	0	0	0	0	0	0	0
KING/QUAKER/BRADDOCK INTERSECT	150,000	0	0	0	0	0	0	0
SLATER'S LANE	50,000	250,000	0	0	0	0	0	250,000
TRAFFIC CALMING	0	400,000	400,000	400,000	400,000	400,000	400,000	2,400,000
TRAFFIC SURVEY RESPONSE	250,000	100,000	0	0	0	0	0	100,000
PARKING METER REPLACEMENT	150,000	100,000	0	0	0	0	0	100,000
SIDEWALK, CURB AND GUTTER	400,000	100,000	100,000	100,000	100,000	100,000	100,000	600,000
STREET & PEDEST SUBTOTAL	\$2,650,000	\$1,370,000	\$825,000	\$725,000	\$825,000	\$725,000	825,000	5,285,000
<u>UTILITY UNDERGROUNDING/STREET LIGHTING</u>								
MISCELLANEOUS UNDERGROUNDING	\$275,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	75,000	450,000
OLD TOWN UNDERGROUNDING	2,400,000	500,000	500,000	500,000	500,000	500,000	500,000	3,000,000
STREET LIGHTING	65,000	25,000	25,000	25,000	25,000	25,000	25,000	150,000
UTILITIES SUBTOTAL	\$2,740,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	600,000	3,600,000
SUBFUND 011 SUBTOTAL	\$8,201,367	\$2,691,080	\$2,114,800	\$1,692,000	\$1,791,560	\$1,690,660	\$1,814,380	\$11,794,480
<u>SUBFUND: 012 STORM SEWERS</u>								
<u>RECONSTRUCTION/EXTENSION STORM SEWERS</u>								
CONSTRUCTION	\$769,500	\$248,000	\$203,000	\$203,000	\$203,000	\$203,000	\$203,000	1,263,000
COMMONWEALTH/GLEBE	80,000	0	0	0	0	0	0	0
BRADDOCK/WEST	150,000	0	0	0	0	0	0	0
PRINCESS	70,000	0	0	0	0	0	0	0
EDSALL/CAMERON	95,000	0	0	0	0	0	0	0
FRAZIER STREET	250,000	0	0	0	0	0	0	0
FROST STREET	100,000	0	0	0	0	0	0	0
LAWRENCE STREET	0	150,000	0	0	0	0	0	150,000
ALLEY SEWER UPGRADE	125,000	0	0	0	0	0	0	0
KING ST/CSX	75,000	0	0	0	0	0	0	0
CHANNEL RESTORATION	1,000,000	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
COMMONWEALTH AVE STUDY	150,000	0	0	0	0	0	0	0
HUMES SPRINGS STORM SEWER	0	0	0	0	0	0	0	0
WARWICK VILLAGE	0	150,000	150,000	150,000	0	0	0	450,000
NPDES STORM WATER PROGRAM	300,000	0	0	0	0	0	0	0
ORONOCO OUTFALL	2,795,000	0	0	0	0	0	0	0
SUBFUND 013 SUBTOTAL	\$5,959,500	\$748,000	\$553,000	\$553,000	\$403,000	\$403,000	\$403,000	\$3,063,000

SUMMARY
Detail of Capital Improvement Program by Project
FY 2004 - FY 2009

City Share by Program Year

	UNALLOCATED PRIOR YEAR	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTAL ¹
SUBFUND: 013 SANITARY SEWERS								
RECONSTRUCTION/EXTENSION SANITARY SEWERS	\$360,000	\$820,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$3,420,000
SEWER REHABILITATION AND ABATEMENT								
SEWER MAP UPDATING	\$1,163,000	\$101,000	\$101,000	\$0	\$0	\$0	\$0	\$202,000
HOLMES RUN TRUNK SEWER	5,100,000	1,800,000	1,800,000	5,000	0	0	0	3,605,000
SEWER SEPARATION	1,735,190	500,000	600,000	525,000	250,000	250,000	250,000	2,375,000
INFILTRATION/INFLOW	2,327,000	1,914,000	3,650,000	2,600,000	2,200,000	660,000	1,500,000	12,524,000
ROYAL STREET RELIEF SEWER	2,400,000	600,000	600,000	600,000	0	0	0	1,800,000
ENVIRONMENTAL RESTORATION	25,000	100,000	0	100,000	0	100,000	0	300,000
SEWER REHAS SUBTOTAL	\$12,750,190	\$5,015,000	\$6,751,000	\$3,830,000	\$2,450,000	\$1,010,000	\$1,750,000	\$20,806,000
SUBFUND 013 SUBTOTAL	\$13,110,190	\$5,835,000	\$7,271,000	\$4,350,000	\$2,970,000	\$1,530,000	\$2,270,000	\$24,226,000
SUBFUND: 015 INFORMATION TECHNOLOGY PLAN								
CONNECTIVITY PROJECTS	\$572,800	\$1,198,207	\$1,021,214	\$1,574,208	\$1,194,845	\$1,154,805	\$1,143,549	\$7,286,828
SYSTEMS DEVELOPMENT	\$2,690,632	5,818,395	1,760,000	1,331,000	1,395,000	850,000	856,000	11,810,395
SUBFUND 015 SUBTOTAL	\$3,263,432	\$6,816,602	\$2,781,214	\$2,905,208	\$2,589,845	\$2,004,805	\$1,999,549	\$19,097,223
SUBFUND: 016 OTHER EDUCATION								
NORTHERN VIRGINIA COMMUNITY COLLEGE	\$0	\$130,100	\$120,584	\$120,927	\$121,272	\$121,617	\$121,964	\$736,464
SUBFUND 016 SUBTOTAL	\$0	\$130,100	\$120,584	\$120,927	\$121,272	\$121,617	\$121,964	\$736,464
TOTAL CITY SHARE	\$50,686,667	\$86,594,836	\$66,319,806	\$60,026,855	\$44,117,152	\$57,238,305	\$13,443,759	\$327,740,715

¹ Total does not include Unallocated Prior Year

**Information Technology
Capital Improvement Plan For FY 2004 to FY 2009
07-Mar-03**

CIP Project ID	Project Title	Net Totals	Net Balances						
			Prior Year	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TOTAL Net Costs - All Information Technology CIP Projects		23,492,655	4,395,432	6,816,602	2,781,214	2,905,208	2,589,845	2,004,805	1,999,549
015-015	Systems Development	15,385,027	3,674,632	6,618,398	1,760,000	1,331,000	1,395,000	650,000	856,000
015-015-1A	Public Access Development	2,942,840	437,840	555,000	550,000	350,000	350,000	350,000	350,000
015-01-3-1	Web Site Enhancements		337,340	255,000	125,000	125,000	125,000	125,000	125,000
015-015-19	Library Automated Catalog System Replacement		0	0	200,000	0	0	0	0
015-015-4	Electronic Government		100,500	300,000	225,000	225,000	225,000	225,000	225,000
015-015-30	Public Access to Land Records		0	0	0	0	0	0	0
015-015-1	Document Management Systems	1,136,730	486,750	399,980	60,000	50,000	50,000	60,000	50,000
015-015-2	MHM RSA Medical Records Management		181,500	0	0	0	0	0	0
015-015-2A	Human Resources System		305,250	0	0	0	0	0	0
015-015-21	Document Management and Imaging Infrastructure		0	175,000	50,000	50,000	50,000	50,000	50,000
015-015-2-7	Finance Document Management System		0	224,980	0	0	0	0	0
015-015-2	Financial Systems	2,090,000	530,000	345,000	660,000	366,000	60,000	60,000	60,000
015-015-5	Real Estate Assessment and Accounts Receivable System Rep		200,000	100,000	0	0	0	0	0
015-015-6	OMB Systems		0	85,000	0	0	0	0	0
015-015-7	Payroll/Personnel System		100,000	100,000	425,000	325,000	0	0	0
015-015-7A	Remote Time and Attendance		150,000	0	0	0	0	0	0
015-015-9	General Ledger Accounting System		80,000	60,000	60,000	60,000	60,000	60,000	60,000
015-015-41	NEW Revenue Collection Mgt. System		0	0	165,000	0	0	0	0
015-015-3	Geographic Information Systems	1,332,600	432,600	150,000	150,000	150,000	150,000	150,000	150,000
015-015-11	GIS Development		432,600	150,000	150,000	150,000	150,000	150,000	150,000
015-015-4	Public Safety Systems	6,573,132	667,842	3,918,290	300,000	336,000	725,000	180,000	246,000
005-039-1	Public Safety Radio System Replacement		352,842	3,200,000	0	0	0	0	0
015-015-4-2	Alexandria Justice Information System (AJIS) Development		0	0	0	0	0	0	0
015-015-36	NEW AJIS Enhancements		0	150,000	150,000	150,000	150,000	150,000	150,000
015-005-14	Police/Fire Computer Aided Dispatch (CAD)/RMS Project		500,000	518,290	0	181,000	575,000	30,000	96,000
015-015-34	Interoperability Strategies for Public Safety		0	0	0	0	0	0	0
015-015-24	Tactical Computer System		0	0	0	0	0	0	0
015-015-25	Virginia Commonwealth Attorney Information System		15,000	15,000	5,000	5,000	0	0	0
015-015-33	Emergency Operations Center		0	0	0	0	0	0	0
015-015-38	NEW E-911 Planning		0	0	45,000	0	0	0	0
015-015-39	NEW EMS Records Management System		0	0	100,000	0	0	0	0
015-015-43	NEW Telephone Emergency Notification System		0	0	0	0	0	0	0
015-015-45	NEW Sheriff Inmate Classification Software System		0	35,000	0	0	0	0	0

Information Technology
Capital Improvement Plan For FY 2004 to FY 2009
07-Mar-03

CIP Project ID (1)	Project Title (2)	Net Totals (3)	Net Balances							
			Prior Year (4)	FY2004 (5)	FY2005 (6)	FY2006 (7)	FY2007 (8)	FY2008 (9)	FY2009 (10)	
Recreation Systems		125,000	100,000	25,000	0	0	0	0	0	0
015-015-17	Recreation Systems		100,000	25,000	0	0	0	0	0	0
015-015-17a	Recreation Computer Laboratories		0	0	0	0	0	0	0	0
Other Systems		1,184,725	719,600	226,125	60,000	60,000	60,000	60,000	60,000	0
015-015-5	Permit Processing		469,600	100,000	60,000	60,000	60,000	60,000	60,000	0
015-015-16	Permit System Replacement/1				To Be Determined					
015-015-26	Facilities Maintenance System		0	23,000	0	0	0	0	0	0
015-015-28	Intranet		0	80,000	0	0	0	0	0	0
015-015-29	TES Infrastructure Management and Maintenance System		100,000	0	0	0	0	0	0	0
015-015-31	MHM RSA HIPAA Data Security Compliance		150,000	0	0	0	0	0	0	0
015-015-32	Help Desk System		0	0	0	0	0	0	0	0
015-015-40	NEW Fleet Services Bar Coding Module		0	7,500	0	0	0	0	0	0
015-015-41	NEW MHM RSA Citrix Upgrade		0	14,625	0	0	0	0	0	0
Infrastructure Projects		8,107,629	820,800	1,198,207	1,021,214	1,574,208	1,194,845	1,154,805	1,143,549	
Local Area Network (LAN) Services		5,916,450	619,800	712,100	726,200	1,240,000	893,800	869,275	854,275	
015-014-1	LAN Backbone Capacity		50,000	50,000	50,000	50,000	50,000	50,000	50,000	
015-014-2	Individual Building LAN Development		25,000	25,000	25,000	25,000	25,000	25,000	25,000	
015-014-3	Upgrade Network Operating System		0	30,000	25,000	25,000	25,000	15,000	0	
015-014-4	Upgrade Work Station Operating Systems		70,000	70,000	70,000	70,000	70,000	70,000	70,000	
015-014-5	Network Infrastructure Hardware Upgrades/ Replacement		349,800	537,100	506,200	920,000	673,800	659,275	659,275	
015-014-14	Storage Area Network/3		125,000	0	50,000	150,000	50,000	50,000	50,000	
Wide Area Network (WAN) Services		2,192,178	201,000	486,107	295,014	334,208	301,045	285,530	289,274	
015-014-2	Institutional Network Development		0	0	0	0	0	0	0	
015-014-6	Institutional Network Upgrades/2		0	0	0	0	0	0	0	
015-014-6a	NEW Institutional Network Upgrades/2		5,000	298,107	205,014	244,208	211,045	195,530	199,274	
015-014-8	Telephony Integration		0	100,000	25,000	25,000	25,000	25,000	25,000	
015-014-9	Security/4		108,000	0	0	0	0	0	0	
015-014-15	Computer Work Station Software Management		88,000	88,000	65,000	65,000	65,000	65,000	65,000	
015-014-13	Database Infrastructure									

