



Multi-Year Budget Planning

TWO-YEAR PRESENTATION OF GENERAL FUND

OPERATING REVENUE/EXPENDITURES

As part of the City's efforts to produce a financially sustainable budget and plan to address the future needs of the community, the annual operating budget includes a two-year forecast of expenditures by department and a five-year forecast of expenditures by major category to compare to revenue estimates and illustrate the impact of the current operating budget and Capital Improvement Program (CIP) on future fiscal years.

The following table illustrates that if FY 2027 General Fund expenditures grow at a 3.6% rate consistent with recent history and revenues grow by 2.5% as forecast, then the City would need to address a \$15 million shortfall in the FY 2027 budget process through expenditure reductions, tax and fee rate increases, or both.

	FY 2025 Approved	FY 2026 Proposed	FY 2027 Estimate
Revenue			
Real Estate Tax	545.4	558.0	571.9
Personal Property	75.6	81.0	83.1
Other Local Taxes	161.7	164.7	168.8
Fees, Fines, & Charges	25.8	28.0	28.7
Intergovernmental	62.5	62.9	62.9
Other Sources	55.4	61.8	62.4
Total Revenue	926.4	956.4	977.8
Expenditures			
City Operations	476.9	485.7	500.8
City Debt Service	50.7	57.7	60.8
Schools Debt Service	45.5	47.8	50.0
Cash Capital	29.5	32.3	36.3
Transit Services	50.7	51.7	53.6
Schools	273.0	281.2	291.3
Total Expenditures	926.4	956.4	992.9
Shortfall/Surplus	-	-	(15.1)



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The following table displays the expenditure growth scenario from the previous page by department when adjusting for one-time changes.

Department	FY 2025 Approved	FY 2026 Proposed	FY 2027 Estimate	\$ Change	% Change
18TH GENERAL DISTRICT COURT	169,180	169,167	175,257	6,090	3.6%
ACPS - Schools	273,034,300	281,194,986	291,318,005	10,123,019	3.6%
CIRCUIT COURT CLERK	1,990,682	2,129,027	2,205,672	76,645	3.6%
CIRCUIT COURT JUDGES	1,732,010	1,926,652	1,871,691	(54,961)	-2.9%
CITY ATTORNEY	4,455,086	4,510,800	4,673,189	162,389	3.6%
CITY COUNCIL	717,149	912,600	945,454	32,854	3.6%
CITY MANAGER'S OFFICE	6,083,214	6,223,019	6,447,048	224,029	3.6%
COMMONWEALTH ATTORNEY	4,889,190	5,276,956	5,466,926	189,970	3.6%
COMMUNICATIONS	2,430,283	2,631,656	2,726,396	94,740	3.6%
COMMUNITY AND HUMAN SERVICES	60,875,887	61,285,334	63,180,806	1,895,472	3.1%
COMMUNITY POLICING REVIEW BOAR	653,618	620,884	643,236	22,352	3.6%
COURT SERVICES	2,170,398	476,496	493,650	17,154	3.6%
CRIMINAL JUSTICE SERVICES	6,853,725	8,206,183	8,501,606	295,423	3.6%
CTY CLERK AND CLRK OF COUNCIL	599,497	562,113	582,349	20,236	3.6%
ECONOMIC DEVELOPMENT	9,097,318	9,063,993	8,716,897	(347,096)	-3.8%
EMERGENCY & CUSTOMER COMMUNICA	10,132,222	10,098,106	10,461,638	363,532	3.6%
FINANCE	14,432,324	15,098,263	15,641,800	543,537	3.6%
FIRE	67,136,836	68,964,799	70,532,744	1,567,945	2.3%
GENERAL SERVICES	15,103,873	14,899,603	15,435,989	536,386	3.6%
HEALTH	9,637,009	9,901,365	10,257,814	356,449	3.6%
HISTORIC ALEXANDRIA	4,411,196	4,859,826	5,034,780	174,954	3.6%
HOUSING	12,251,938	11,883,002	12,310,790	427,788	3.6%
HUMAN RESOURCES	5,811,240	6,113,749	6,323,484	209,735	3.4%

Table continues on the next page.



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Table continued from the previous page.

Department	FY 2025 Approved	FY 2026 Proposed	FY 2027 Estimate	\$ Change	% Change
HUMAN RIGHTS	1,184,413	1,219,498	1,263,400	43,902	3.6%
INFORMATION TECHN SERVICES	16,732,078	19,519,195	20,221,886	702,691	3.6%
INTERNAL AUDIT	467,900	478,499	495,725	17,226	3.6%
JUVE DOM RELATIONS DIST COURT	97,023	95,600	99,042	3,442	3.6%
LIBRARY	9,158,121	9,326,034	9,661,771	335,737	3.6%
NONDEPARTMENTAL	12,960,018	11,067,623	11,429,797	362,174	3.3%
OMB	1,734,373	1,874,667	1,942,155	67,488	3.6%
OTHER EDUCATIONAL ACTIVITIES	15,570	15,449	16,005	556	3.6%
OTHER HEALTH SERVICES	1,327,082	1,527,082	1,374,857	(152,225)	-10.0%
PERFORMANCE ANALYTICS	901,799	1,140,122	1,139,726	(396)	0.0%
PLANNING AND ZONING	7,775,983	8,594,265	8,903,659	309,394	3.6%
POLICE	71,361,652	72,880,725	75,504,431	2,623,706	3.6%
PROJECT IMPLEMENTATION	-	-	-	-	-
RECR AND CULTURAL SERVICES	29,386,436	31,128,403	32,249,026	1,120,623	3.6%
REGISTRAR	2,126,899	1,994,988	2,066,808	71,820	3.6%
SHERIFF	35,074,045	35,060,051	36,322,213	1,262,162	3.6%
TRANS AND ENVIRONMENTAL SRV	44,985,857	43,931,256	45,512,781	1,581,525	3.6%
TRANSIT SERVICES	50,691,206	51,705,030	53,566,411	1,861,381	3.6%
CASH CAPITAL	29,476,152	32,344,713	36,343,900	3,999,187	12.4%
CITY DEBT SERVICE	50,743,148	57,703,661	60,779,386	3,075,725	5.3%
SCHOOLS DEBT SERVICE	45,527,862	47,834,265	50,038,867	2,204,602	4.6%
TOTAL EXPENDITURES	926,395,792	956,449,705	992,879,065	36,429,360	3.8%

Multi-Year Budget Planning



FIVE-YEAR FINANCIAL PLANNING MODEL

The following table extends the two-year estimate from the preceding pages by an additional three years using the same revenue and expenditure growth rate scenarios and the cash capital and debt service amounts planned for the next five years in the FY 2026-2035 CIP. In this scenario, the budget shortfall grows to \$84 million by FY 2030. It should be noted that the City would balance revenues and expenditures in each fiscal year through expenditure reductions, tax or fee rate increases, or a combination of the two.

Revenue	FY 2025 Approved	FY 2026 Proposed	FY 2027 Estimate	FY 2028 Estimate	FY 2029 Estimate	FY 2030 Estimate
Real Estate Tax	545.4	558.0	571.9	586.2	600.9	615.9
Personal Property	75.6	81.0	83.1	85.1	87.3	89.5
Other Local Taxes	161.7	164.7	168.8	173.0	177.3	181.8
Fees, Fines, & Charges	25.8	28.0	28.7	29.4	30.1	30.9
Intergovernmental	62.5	62.9	62.9	62.9	62.9	62.9
Other Sources	55.4	61.8	62.4	62.9	63.5	64.0
Total Revenue	926.4	956.4	977.8	999.6	1,022.0	1,045.0
Expenditures						
City Operations	476.9	485.7	500.8	518.9	537.5	556.9
City Debt Service	50.7	57.7	60.8	71.6	83.7	88.7
Schools Debt Service	45.5	47.8	50.0	52.5	54.9	59.8
Cash Capital	29.5	32.3	36.3	37.0	41.6	39.9
Transit Services	50.7	51.7	53.6	55.5	57.5	59.6
Schools	273.0	281.2	291.3	301.8	312.7	323.9
Total Expenditures	926.4	956.4	992.9	1,037.2	1,087.9	1,128.7
Shortfall/Surplus	-	(0.0)	(15.1)	(37.6)	(65.9)	(83.8)