



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

**DATE:** JUNE 4, 2024

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

**FROM:** KENDEL TAYLOR, DIRECTOR OF FINANCE

**DOCKET TITLE:**

Consideration of the Monthly Financial Report for the Period Ending April 30, 2024.

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**ISSUE:** Receipt of the Monthly Financial Report for the Period Ending April 30, 2024.

**RECOMMENDATION:** That City Council receives the Monthly Financial Report.

**BACKGROUND:** The following discussion is a summary of the Monthly Financial Report for this period. Detailed comparative schedules are attached.

As of April 30, 2024, General Fund revenues totaled \$553.9 million, an increase of \$21.4 million, or 4.0 percent, compared to the same period in FY 2023. There are no significant variations in receipts through ten months of the fiscal year that are due to anything but timing billing, posting and accruals. It is important to note that several revenue categories lag by one or two months (e.g., the City has only received 8 months of Sales Tax revenue and 9 months of other categories, such as Transient Lodging and Restaurant Meals Tax Revenue).

Revenue may not track consistently with a monthly calendar since many revenue sources have due dates that do not occur evenly throughout the year. Transient Lodging and Restaurant Meal tax revenues continue to reflect post pandemic recovery trends. It is interesting to note that in

FY 2024 Short-Term Rental accounts for approximately 27 percent of the total Transient Lodging revenue, which is consistent with FY 2023. The rate of growth is much more pronounced in FY 2024, due to the length of time it took hotels to recover from the pandemic. Traditional hotels are showing a year over year growth of approximately 32 percent compared to FY 2023, and Short-Term Rentals are up 33 percent compared to FY 2023.

Business License taxes are due on March 1 each year. Through April 2024, the City has collected \$39.8 million of Business License tax revenue, which represents 99.9 percent of the budgeted amount. Compared to FY 2023, Business License Tax revenue through March 2023 totaled \$37.6 million, which represents a year over year increase of 6.0 percent.

Although a relatively small category, Tobacco Tax revenue continues to decline. This is a trend that has been seen across most localities. In addition to the declines due to health awareness campaigns, the proliferation of non-taxable options (vaping) is presumed to be a contributor to these declines. Consumer Utility Tax revenue through April 30, 2024, trails the same period in FY 2023, by \$1.4 million or 15 percent, but this is entirely due to the timing of payments.

In FY 2024 the largest revenue source, real estate tax, is remitted twice per year and aligns closely with real estate tax revenue from the same period in FY 2023. Real Estate tax revenue was due to the City on November 15. Through April 30, 2024, the City has collected \$260.8 million or 49.0 percent of the budgeted amount. This is comparable to FY 2023 when the City had collected \$252.3 million as of April 30, 2023, or 49.0 percent of the budgeted amount. Personal Property tax revenue, including business personal property, is trending ahead of

FY 2023. Through ten months of the fiscal year, \$68.2 million reflects more than 102.9 percent of the budgeted amount compared to \$64.9 million in FY 2023, which was 97.1 percent of the budgeted amount. The higher interest rates that began in FY 2023 are continuing in FY 2024. Revenue from Use of Money and Property exceeds collections through the same period in FY 2023 by more than \$6.1 million or 35.2 percent.

As of April 30, 2024, General Fund expenditures totaled \$700.8 million, a difference of \$41.5 million, or 6.3 percent more than the same time period for FY 2023. Similar to the situation with revenues, no significant expenditure has occurred in the first ten months of Fiscal Year 2024 that is unbudgeted or unexpected. The most significant difference is the timing of payments (Transfers to DASH and the Libraries) and proportional increases in spending due to budget increases and decreases (cash capital and debt service). The timing of payments and increases in personnel costs are the main driver of variances in Judicial Administration, Communications, Police and Information Technology Services. General Services expenditures are significantly higher in FY 2024 compared to FY 2023 due to the full year costs of maintenance at 4850 Mark Center Drive. In addition, in FY 2023, several departments had large appropriations of General Funds added to their budget in the fall as ARPA funds were shifted. That one-time event creates a distorted comparison of percentage of budget expended between the two years. City Council passed a Supplemental Appropriation Ordinance in May to make transfers between departments to provide sufficient resources for departments whose vacancy savings budget reduction was greater than their actual turnover experience or where personnel costs related to new hires, workers compensation or leave payouts for retiring employees cannot be absorbed within their current budget.

**ATTACHMENTS:**

Attachment 1: Comparative Statement of General Fund Revenues

Attachment 2: Comparative Statement of General Fund Expenditures

**STAFF:**

Morgan Routt, Director, Office and Management and Budget

**CITY OF ALEXANDRIA, VIRGINIA**  
**COMPARATIVE STATEMENT OF REVENUES**  
**GENERAL FUND**  
**FOR THE PERIODS ENDING APRIL 30, 2024 AND APRIL 30, 2023**

	<b>B</b>	<b>B.1</b>	<b>C</b>	<b>D=C/B</b>	<b>E</b>	<b>F</b>	<b>G=F/E</b>
	<b>FY 2024</b>	<b>FY 2024</b>	<b>FY2024</b>	<b>%</b>	<b>FY 2023</b>	<b>FY2023</b>	<b>%</b>
	<b>APPROVED</b>	<b>PROJECTED</b>	<b>REVENUES</b>	<b>OF BUDGET</b>	<b>FINAL</b>	<b>REVENUES</b>	<b>OF TOTAL</b>
	<b>BUDGET</b>	<b>REVENUES</b>	<b>THRU 4/30/2024</b>		<b>BUDGET</b>	<b>THRU 4/30/2023</b>	
<b>General Property Taxes</b>							
Real Property Taxes.....	\$ 532,076,175	\$ 532,563,298	\$ 260,818,549	49.0%	\$ 514,554,739	\$ 252,287,386	49.0%
Personal Property Taxes.....	66,313,000	71,140,000	68,227,366	102.9%	66,776,000	64,866,560	97.1%
Penalties and Interest.....	3,358,050	3,765,001	3,129,798	93.2%	3,199,600	2,836,608	88.7%
<b>Total General Property Taxes</b>	<b>\$ 601,747,225</b>	<b>\$ 607,468,299</b>	<b>\$ 332,175,713</b>	<b>55.2%</b>	<b>\$ 584,530,339</b>	<b>\$ 319,990,554</b>	<b>54.7%</b>
<b>Other Local Taxes</b>							
Local Sales and Use Taxes.....	\$ 39,000,000	\$ 40,199,375	\$ 26,437,114	67.8%	\$ 37,440,000	\$ 25,854,059	69.1%
Consumer Utility Taxes.....	12,020,000	12,700,000	8,106,851	67.4%	11,760,000	9,542,379	81.1%
Communication Sales and Use Taxes.....	6,810,000	7,000,000	5,339,971	78.4%	7,245,080	5,670,479	78.3%
Business License Taxes.....	39,824,300	42,461,700	39,797,155	99.9%	39,824,300	37,560,688	94.3%
Transient Lodging Taxes.....	11,200,000	13,515,290	10,039,855	89.6%	9,500,000	7,721,384	81.3%
Restaurant Meals Tax.....	31,200,000	31,700,000	23,435,419	75.1%	27,600,000	21,546,010	78.1%
Tobacco Taxes.....	2,030,000	1,948,000	1,283,297	63.2%	2,100,000	1,547,563	73.7%
Real Estate Recordation.....	3,926,000	3,654,365	2,291,335	58.4%	8,645,000	3,120,668	36.1%
Admissions Tax.....	313,000	441,600	314,308	100.4%	261,000	250,570	96.0%
Other Local Taxes.....	3,848,000	3,745,860	1,055,084	27.4%	4,103,000	778,043	19.0%
<b>Total Other Local Taxes</b>	<b>\$ 150,171,300</b>	<b>\$ 157,366,190</b>	<b>\$ 118,100,390</b>	<b>78.6%</b>	<b>\$ 148,478,380</b>	<b>\$ 113,597,257</b>	<b>76.5%</b>
<b>Intergovernmental Revenues</b>							
Revenue from the Fed. Government.....	\$ 7,944,000	\$ 7,550,000	\$ 5,164,326	65.0%	\$ 7,944,000	\$ 5,264,403	66.3%
Personal Property Tax Relief from the Commonwealth.....	23,578,531	23,578,531	23,106,960	98.0%	23,578,531	23,106,960	98.0%
Revenue from the Commonwealth.....	27,422,507	30,461,357	19,929,289	72.7%	26,001,491	21,375,491	82.2%
<b>Total Intergovernmental Revenues</b>	<b>\$ 58,945,038</b>	<b>\$ 61,589,888</b>	<b>\$ 48,200,575</b>	<b>81.8%</b>	<b>\$ 57,524,022</b>	<b>\$ 49,746,854</b>	<b>86.5%</b>
<b>Other Governmental Revenues And Transfers In</b>							
Fines and Forfeitures.....	\$ 4,425,000	\$ 4,774,500	\$ 4,752,966	107.4%	\$ 4,305,200	\$ 2,624,720	61.0%
Licenses and Permits.....	2,667,500	2,856,000	2,520,121	94.5%	2,867,350	2,247,502	78.4%
Charges for City Services.....	15,652,609	16,540,101	14,259,941	91.1%	15,071,741	13,853,668	91.9%
Revenue from Use of Money & Prop.....	19,322,000	27,780,345	23,581,486	122.0%	6,655,000	17,448,018	262.2%
Other Revenue.....	3,470,890	2,405,000	4,602,384	132.6%	2,490,701	4,125,287	165.6%
Transfer from Other Funds.....	10,461,523	10,461,523	5,680,929	54.3%	9,976,651	8,841,040	88.6%
<b>Total Other Governmental Revenues</b>	<b>\$ 55,999,522</b>	<b>\$ 64,817,469</b>	<b>\$ 55,397,827</b>	<b>98.9%</b>	<b>\$ 41,366,643</b>	<b>\$ 49,140,234</b>	<b>118.8%</b>
<b>TOTAL REVENUE</b>	<b>\$ 866,863,085</b>	<b>\$ 891,241,846</b>	<b>\$ 553,874,506</b>	<b>63.9%</b>	<b>\$ 831,899,384</b>	<b>\$ 532,474,899</b>	<b>64.0%</b>
Appropriated refunding bond proceeds.....							
Appropriated Fund Balance							
Operating Budget .....	\$ 17,464,943			\$ -	\$ 8,120,000	\$ -	-
Cash Capital.....							
Encumbrances And Other.....	8,371,344			-	5,775,449		-
Supplemental Appropriations.....	8,478,296			-	50,526,898		-
<b>TOTAL</b>	<b>\$ 901,177,668</b>	<b>\$ 891,241,846</b>	<b>\$ 553,874,506</b>	<b>61.5%</b>	<b>\$ 896,321,731</b>	<b>\$ 532,474,899</b>	<b>59.4%</b>

83% of Fiscal Year Completed  
79% of Payrolls Processed

**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION**  
**GENERAL FUND**  
**FOR THE PERIODS ENDING APRIL 30, 2024 AND APRIL 30, 2023**

FUNCTION	B	C	D=C/B	B	C	G=F/E
	FY 2024	FY 2024	%	FY 2023	FY 2023	%
	APPROVED BUDGET	EXPENDITURES THRU 4/30/2024	OF BUDGET EXPENDED	APPROVED BUDGET	EXPENDITURES THRU 4/30/2023	OF BUDGET EXPENDED
Legislative & Executive.....	\$ 8,356,313	\$ 4,489,547	53.7%	\$ 7,263,964	\$ 3,896,322	53.6%
Judicial Administration.....	\$ 51,053,130	\$ 41,054,233	80.4%	\$ 48,556,193	\$ 37,787,000	77.8%
<b>Staff Agencies</b>						
Communications.....	\$ 2,428,673	\$ 1,946,400	80.1%	\$ 2,315,978	\$ 1,292,964	55.8%
Human Rights.....	1,108,318	\$ 846,376	76.4%	1,118,760	748,630	66.9%
Information Technology Services.....	16,743,767	\$ 13,925,311	83.2%	17,396,386	12,897,595	74.1%
Management & Budget.....	1,980,448	\$ 1,457,279	73.6%	1,786,300	1,136,658	63.6%
Finance.....	14,532,879	\$ 10,474,468	72.1%	14,365,055	9,753,999	67.9%
Performance Analytics.....	1,007,418	\$ 717,298	71.2%	868,232	669,959	77.2%
Internal Audit.....	503,572	\$ 340,874	67.7%	438,920	324,787	74.0%
Human Resources.....	6,514,136	\$ 4,030,935	61.9%	5,977,543	3,909,483	65.4%
Planning & Zoning.....	7,937,975	\$ 5,716,807	72.0%	7,593,713	5,256,228	69.2%
Economic Development Activities.....	8,550,618	\$ 7,907,060	92.5%	9,230,994	9,148,157	99.1%
City Attorney.....	4,157,204	\$ 3,631,752	87.4%	4,485,150	3,825,004	85.3%
Registrar.....	1,806,009	\$ 1,317,515	73.0%	1,561,822	959,257	61.4%
General Services.....	16,496,946	\$ 12,394,346	75.1%	14,871,012	9,175,897	61.7%
Total Staff Agencies	\$ 83,767,963	\$ 64,706,423	77.2%	\$ 82,009,866	\$ 59,098,618	72.1%
<b>Operating Agencies</b>						
Transportation & Environmental Services.....	\$ 28,590,520	\$ 18,706,793	65.4%	\$ 27,346,250	\$ 18,583,966	68.0%
Project Implementation.....	-	-	0.0%	-	-	0.0%
Fire.....	60,517,939	\$ 47,796,529	79.0%	56,279,199	44,300,425	78.7%
Police.....	72,753,873	\$ 57,228,056	78.7%	70,358,239	50,580,687	71.9%
Community Policing Review.....	578,440	\$ 197,719	0.0%	515,114	111,696	0.0%
Emergency Communications.....	10,240,988	\$ 7,382,245	72.1%	9,907,128	7,099,539	71.7%
Code.....	-	-	0.0%	-	-	0.0%
Transit Subsidies.....	19,430,635	\$ 17,880,203	92.0%	19,354,561	17,449,706	90.2%
Housing.....	2,216,317	\$ 1,588,634	71.7%	2,081,133	1,542,579	74.1%
Community and Human Services.....	17,818,277	\$ 12,843,707	72.1%	17,885,881	12,717,604	71.1%
Health.....	10,963,937	\$ 10,293,330	93.9%	9,713,246	8,661,326	89.2%
Historic Resources.....	4,968,818	\$ 3,739,670	75.3%	5,279,693	3,042,941	57.6%
Recreation.....	28,930,966	\$ 21,607,867	74.7%	28,112,573	19,883,695	70.7%
Total Operating Agencies	\$ 257,010,711	\$ 199,264,755	77.5%	\$ 246,833,018	\$ 183,974,164	74.5%
<b>Education</b>						
Schools.....	\$ 258,686,800	\$ 258,586,800	100.0%	\$ 248,737,300	\$ 248,737,300	100.0%
Other Educational Activities.....	15,570	\$ 15,570	100.0%	15,750	15,750	100.0%
Total Education	\$ 258,702,370	\$ 258,602,370	100.0%	\$ 248,753,050	\$ 248,753,050	100.0%
<b>Capital, Debt Service and Miscellaneous</b>						
Debt Service - City.....	\$ 48,235,001	\$ 30,674,613	63.6%	\$ 41,170,131	\$ 35,676,442	86.7%
Debt Service - Schools.....	\$ 32,220,940	\$ 32,220,940	100.0%	\$ 31,941,000	27,678,834	86.7%
Expenses on Refunding Bonds.....	-	-	0.0%	-	-	0.0%
Non-Departmental.....	\$ 13,130,177	\$ 8,051,121	61.3%	\$ 30,505,558	11,788,648	20.4%
General Cash Capital.....	\$ 38,392,581	\$ 18,280,741	47.6%	\$ 57,881,807	27,647,901	0.0%
Contingent Reserves.....	550,325	\$ -	0.0%	1,274,170	-	0.0%
Total Capital, Debt Service and Miscellaneous	\$ 132,529,024	\$ 89,227,415	67.3%	\$ 162,772,666	\$ 102,791,824	63.2%
<b>TOTAL EXPENDITURES</b>	\$ 791,419,510	\$ 657,344,742	83.1%	\$ 796,188,757	\$ 636,300,978	79.9%
Cash Match (Transportation/DCHS/ and Transfers to Special Revenue /Capital Projects Funds)...	\$ 61,319,206	\$ 8,260,866	0.0%	\$ 59,075,874	\$ 7,342,346	0.0%
Transfer to Housing.....	9,601,130	4,673,223	0.0%	7,679,115	3,839,558	0.0%
Transfer to Library.....	8,589,228	4,295,008	50.0%	8,213,526	8,500	0.1%
Transfer to DASH.....	30,248,594	26,171,199	86.5%	25,164,459	11,851,865	47.1%
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	\$ 901,177,668	\$ 700,745,039	77.8%	\$ 896,321,731	\$ 659,343,247	73.6%
<b>Total Expenditures by Category</b>						
Salaries and Benefits.....	\$ 267,763,214	\$ 334,917,249	125.1%	\$ 256,555,601	\$ 188,681,490	73.5%
Non Personnel (includes all school funds) .....	633,414,454	365,927,790	57.8%	639,766,130	470,661,757	73.6%
<b>Total Expenditures</b>	\$ 901,177,668	\$ 700,845,039	77.8%	\$ 896,321,731	\$ 659,343,247	73.6%