



Legislation Text

File #: 25-2444, Version: 1

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 2, 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 August 31, 2024.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending August 31, 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 August 31, 2024, General Fund revenues totaled \$15.4 million, an increase of 11.8 percent compared to the same period in FY 2024. It is important to note that revenues collected in July and some of the revenue collected in August are for taxes owed in June and are therefore accrued to the prior fiscal year. Timing issues are also much more pronounced in the early months of the fiscal year. The first significant tax revenue for FY 2024 is traditionally due on October 5 when personal property taxes for vehicle and business personal property are due. The bills are mailed in mid to late August and payments processed in August can vary significantly. The most significant variance in FY 2025 compared to FY 2024 for the same period is the receipt of payments from the federal government. Last year by the end of August, the City had received and posted funds for housing federal prisoners.

Revenue may not track consistently with a monthly calendar since many revenue sources have due dates that do not occur evenly throughout the year. The largest revenue source, real estate tax, is remitted twice per year. Personal property tax revenue is due on October 5 each year. Through the first two months of the fiscal year, no category has sufficient receipts to establish a clear pattern.

Consumer spending charts are attached which compare several significant tax revenue categories for the past several years through the unaudited totals of fiscal year ending FY 2024. Although the economy has slowed as inflation remains high, the categories all remain strong.

As of August 31, 2024, General Fund expenditures totaled \$106.5 million, an increase of \$6.9 million compared to the same time period for FY 2024. Similar to the situation with revenues, it is too soon to make any definitive economic interpretation from the activity that has occurred in the first two months of the fiscal year. No significant expenditure has occurred in the first two months of

Fiscal Year 2025 that is unbudgeted or unexpected. The most significant difference is the timing of payments. In addition, the amount of debt service owed in July in FY 2025 was \$6.7 million more than the amount owed in July of FY 2024.

ATTACHMENTS:

- Attachment 1: Comparative Statement of General Fund Revenues
- Attachment 2: Comparative Statement of General Fund Expenditures
- Attachment 3: Consumer Spending comparison charts

STAFF:

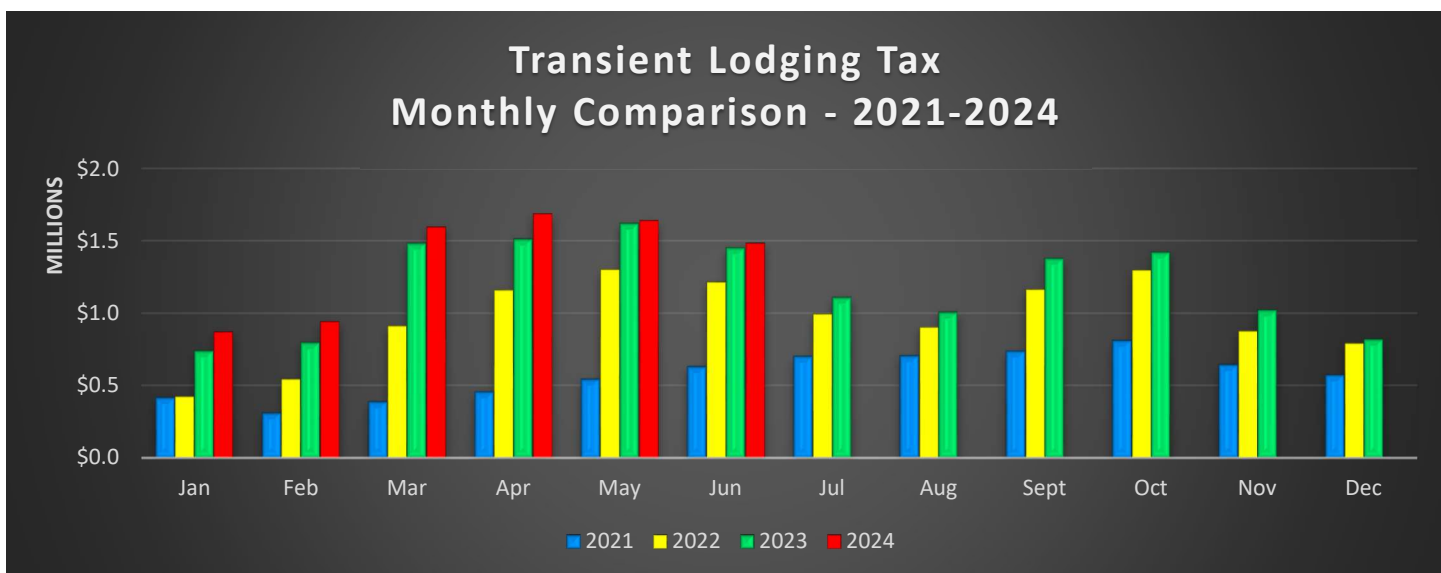
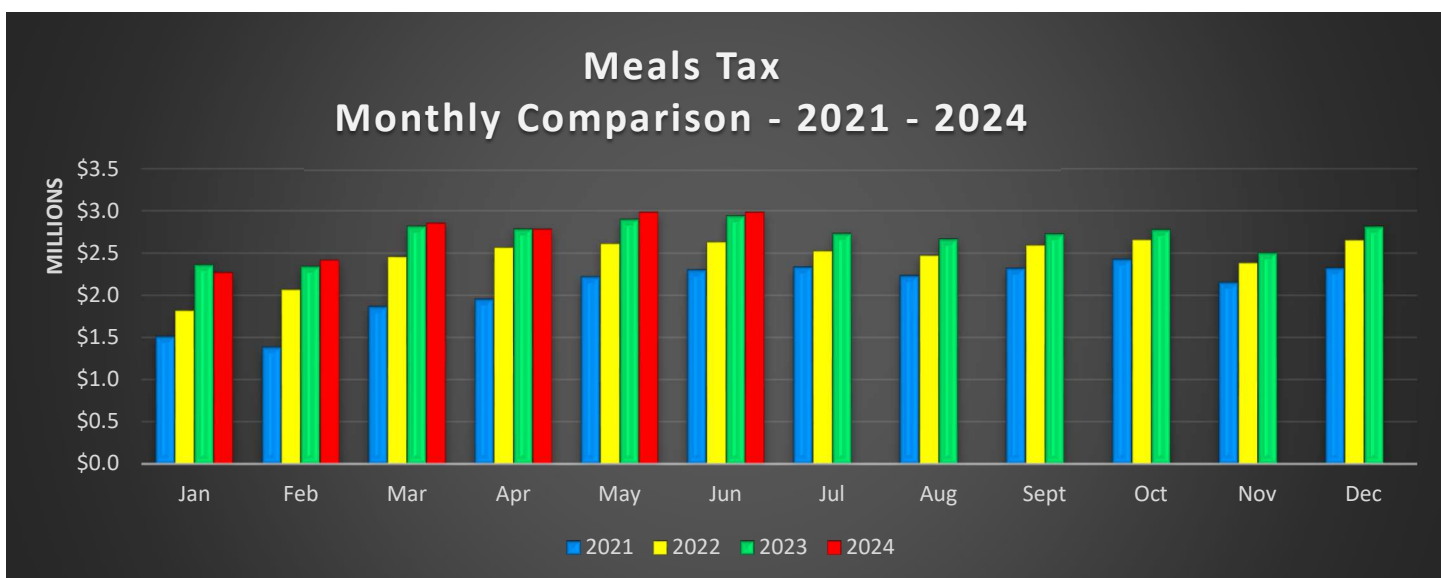
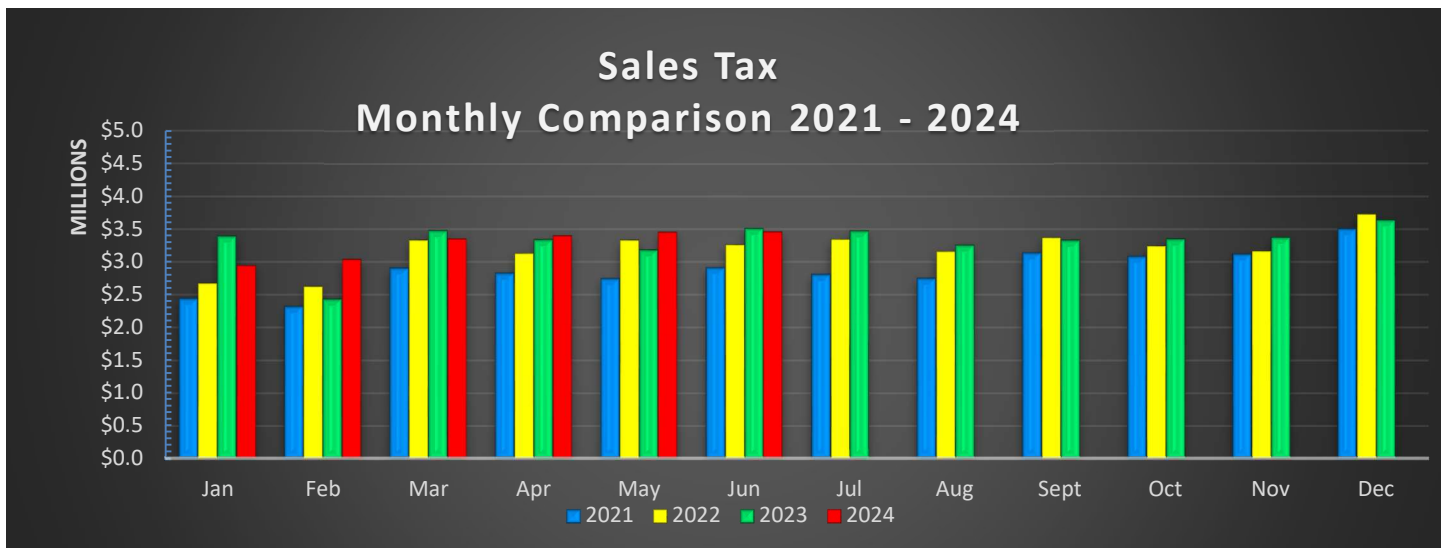
- Kendel Taylor, Director, Finance Department
- Morgan Routt, Director, Office and Management and Budget

CITY OF ALEXANDRIA, VIRGINIA
COMPARATIVE STATEMENT OF REVENUES
GENERAL FUND
FOR THE PERIODS ENDING AUGUST 31, 2024 AND AUGUST 31, 2023

	B	C	D=C/B	E	F	G=F/E
	FY 2025	FY2025	%	FY 2024	FY2024	%
	APPROVED	REVENUES	OF BUDGET	FINAL	REVENUES	OF TOTAL
	BUDGET	THRU 8/31/2024		BUDGET	THRU 8/31/2023	
General Property Taxes						
Real Property Taxes.....	\$ 545,370,119	\$ 1,617,268	0.3%	\$ 532,076,175	\$ 1,828,883	0.3%
Personal Property Taxes.....	75,590,000	4,335,718	5.7%	66,313,000	2,052,323	3.1%
Penalties and Interest.....	4,123,399	429,718	10.4%	3,358,050	251,010	7.5%
Total General Property Taxes	<u>\$ 625,083,518</u>	<u>\$ 6,382,703</u>	<u>1.0%</u>	<u>\$ 601,747,225</u>	<u>\$ 4,132,216</u>	<u>0.7%</u>
Other Local Taxes						
Local Sales and Use Taxes.....	\$ 41,192,000	\$ -	0.0%	\$ 39,000,000	\$ -	0.0%
Consumer Utility Taxes.....	12,020,000	984,035	8.2%	12,020,000	501,033	4.2%
Communication Sales and Use Taxes.....	6,700,000	-	0.0%	6,810,000	-	0.0%
Business License Taxes.....	43,718,700	162,232	0.4%	39,824,300	37,746	0.1%
Transient Lodging Taxes.....	14,901,000	2,027,918	13.6%	11,200,000	1,270,766	11.3%
Restaurant Meals Tax.....	34,270,000	2,801,773	8.2%	31,200,000	2,862,126	9.2%
Tobacco Taxes.....	1,948,999	-	0.0%	2,030,000	181,011	8.9%
Motor Vehicle License Tax.....	95,800	230	0.0%	80,000	-	0.0%
Real Estate Recordation.....	2,811,000	541,368	19.3%	3,926,000	381,297	9.7%
Admissions Tax.....	441,600	44,735	10.1%	313,000	49,214	15.7%
Other Local Taxes.....	3,650,060	14,948	0.4%	3,768,000	139,792	3.7%
Total Other Local Taxes	<u>\$ 161,749,159</u>	<u>\$ 6,577,239</u>	<u>4.1%</u>	<u>\$ 150,171,300</u>	<u>\$ 5,422,984</u>	<u>3.6%</u>
Intergovernmental Revenues						
Revenue from the Fed. Government.....	\$ 7,372,000	\$ -	0.0%	\$ 7,944,000	\$ 1,202,297	15.1%
Personal Property Tax Relief from the Commonwealth.....	23,578,531	-	0.0%	23,578,531	-	0.0%
Revenue from the Commonwealth.....	31,551,357	-	0.0%	27,422,507	158,548	0.6%
Total Intergovernmental Revenues	<u>\$ 62,501,888</u>	<u>\$ -</u>	<u>0.0%</u>	<u>\$ 58,945,038</u>	<u>\$ 1,360,845</u>	<u>2.3%</u>
Other Governmental Revenues And Transfers In						
Fines and Forfeitures.....	\$ 4,304,500	\$ 690,033	16.0%	\$ 4,425,000	\$ 418,152	9.4%
Licenses and Permits.....	2,500,000	516,650	20.7%	2,667,500	330,801	12.4%
Charges for City Services.....	18,997,239	772,054	4.1%	15,652,609	1,071,438	6.8%
Revenue from Use of Money & Prop.....	24,194,038	57,805	0.2%	19,322,000	389,264	2.0%
Other Revenue.....	2,441,000	348,544	14.3%	3,470,890	597,460	17.2%
Transfer from Other Funds.....	10,631,458	39,288	0.4%	10,461,523	39,288	0.4%
Total Other Governmental Revenues	<u>\$ 63,068,235</u>	<u>\$ 2,424,374</u>	<u>3.8%</u>	<u>\$ 55,999,522</u>	<u>\$ 2,846,403</u>	<u>5.1%</u>
TOTAL REVENUE	<u>\$ 912,402,800</u>	<u>\$ 15,384,317</u>	<u>1.7%</u>	<u>\$ 866,863,085</u>	<u>\$ 13,762,448</u>	<u>1.6%</u>
Appropriated refunding bond proceeds.....						
Appropriated Fund Balance						
Operating Budget	\$ 13,992,992	\$ -	\$ -	\$ 17,464,943	\$ -	-
Cash Capital.....						
Encumbrances And Other.....			-			-
Supplemental Appropriations.....			-			-
TOTAL	<u>\$ 926,395,792</u>	<u>\$ 15,384,317</u>	<u>1.7%</u>	<u>\$ 884,328,028</u>	<u>\$ 13,762,448</u>	<u>1.6%</u>

**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION
GENERAL FUND
FOR THE PERIODS ENDING AUGUST 31, 2024 AND AUGUST 31, 2023**

FUNCTION	B	C	D=C/B	E	F	G=F/E
	FY 2025 APPROVED BUDGET	FY2025 EXPENDITURES THRU 8/31/2024	% OF BUDGET EXPENDED	FY 2024 APPROVED BUDGET	FY2024 EXPENDITURES THRU 8/31/2023	% OF BUDGET EXPENDED
Legislative & Executive.....	\$ 7,399,860	\$ 865,640	11.7%	\$ 7,438,663	\$ 755,904	10.2%
Judicial Administration.....	\$ 52,976,253	\$ 8,087,557	15.3%	\$ 50,213,612	\$ 7,540,265	15.0%
Staff Agencies						
Communications.....	\$ 2,430,283	\$ 350,274	14.4%	\$ 2,428,570	\$ 246,807	10.2%
Human Rights.....	1,184,413	\$ 128,201	10.8%	1,099,038	\$ 124,913	11.4%
Information Technology Services.....	16,732,078	\$ 2,559,194	15.3%	15,300,125	\$ 2,163,290	14.1%
Management & Budget.....	1,734,373	\$ 260,390	15.0%	1,655,058	\$ 247,786	15.0%
Finance.....	14,432,324	\$ 1,991,317	13.8%	14,335,454	\$ 1,846,930	12.9%
Performance and Accountability.....	901,799	\$ 112,197	12.4%	938,466	\$ 119,519	12.7%
Internal Audit.....	467,900	\$ 64,952	13.9%	435,792	\$ 56,733	13.0%
Human Resources.....	5,811,240	\$ 482,152	8.3%	6,356,334	\$ 936,658	14.7%
Planning & Zoning.....	7,775,983	\$ 1,020,421	13.1%	7,426,131	\$ 998,647	13.4%
Economic Development Activities.....	9,097,318	\$ 2,285,253	25.1%	8,125,002	\$ 1,919,339	23.6%
City Attorney.....	4,455,086	\$ 632,994	14.2%	4,149,790	\$ 601,411	14.5%
Registrar.....	2,126,899	\$ 324,710	15.3%	1,747,128	\$ 154,257	8.8%
General Services.....	15,103,873	\$ 1,659,010	11.0%	14,919,342	\$ 2,444,428	16.4%
Total Staff Agencies	\$ 82,253,569	\$ 11,871,065	14.4%	\$ 78,916,230	\$ 11,860,719	15.0%
Operating Agencies						
Transportation & Environmental Services.....	\$ 30,079,137	\$ 2,751,461	9.1%	\$ 27,938,549	\$ 2,609,042	9.3%
Fire.....	69,587,827	\$ 7,743,159	11.1%	59,688,553	\$ 7,576,996	12.7%
Police.....	71,361,652	\$ 9,842,398	13.8%	71,164,838	\$ 9,715,234	13.7%
Community Policing Review.....	653,618	\$ 67,263	0.0%	578,440	\$ 34,427	0.0%
Emergency Communications.....	10,132,222	\$ 1,641,190	16.2%	10,162,288	\$ 1,753,868	17.3%
Transit Subsidies.....	16,872,703	\$ 349,557	2.1%	19,430,635	\$ 385,454	2.0%
Housing.....	2,332,754	\$ 360,330	15.4%	2,205,616	\$ 294,035	13.3%
Community and Human Services.....	16,747,153	\$ 2,446,735	14.6%	16,623,373	\$ 1,461,729	8.8%
Health.....	10,964,091	\$ 2,496,127	22.8%	10,432,196	\$ 2,158,101	20.7%
Historic Resources.....	4,411,196	\$ 719,528	16.3%	4,178,078	\$ 632,286	15.1%
Recreation.....	29,145,150	\$ 3,983,480	13.7%	28,351,699	\$ 4,249,189	15.0%
Total Operating Agencies	\$ 262,287,503	\$ 32,401,227	12.4%	\$ 250,754,265	\$ 30,870,360	12.3%
Education						
Schools.....	\$ 273,034,300	\$ -	0.0%	\$ 258,686,800	\$ -	0.0%
Other Educational Activities.....	15,570	\$ 3,862	24.8%	15,570	\$ 3,893	25.0%
Total Education	\$ 273,049,870	\$ 3,862	0.0%	\$ 258,702,370	\$ 3,893	0.0%
Capital, Debt Service and Miscellaneous						
Debt Service - City.....	\$ 49,638,949	\$ 27,214,948	54.8%	\$ 48,235,001	\$ 28,398,553	58.9%
Debt Service - Schools.....	\$ 45,527,862	\$ 24,920,968	54.7%	\$ 32,220,940	\$ 18,970,209	58.9%
Non-Departmental.....	\$ 10,429,443	\$ 914,615	8.8%	\$ 9,052,092	\$ 1,120,830	2.9%
General Cash Capital.....	\$ 25,502,752	\$ -	0.0%	\$ 38,297,581	\$ -	0.0%
Contingent Reserves.....	2,530,575	\$ -	0.0%	1,892,954	\$ -	0.0%
Total Capital, Debt Service and Miscellaneous	\$ 133,629,581	\$ 53,050,531	39.7%	\$ 129,698,568	\$ 48,489,592	37.4%
TOTAL EXPENDITURES	\$ 811,596,636	\$ 106,279,883	13.1%	\$ 775,723,708	\$ 99,520,731	12.8%
Cash Match (Transportation/DCHS/ and Transfers to Special Revenue /Capital Projects Funds)...	\$ 61,903,348		0.0%	\$ 61,084,591		0.0%
Transfer to Housing.....	9,919,184	\$ -	0.0%	9,351,130	\$ -	0.0%
Transfer to Library.....	9,158,121		0.0%	8,589,228		0.0%
Transfer to DASH.....	33,818,503	\$ 260,098	0.8%	29,609,371	\$ 94,033	0.3%
TOTAL EXPENDITURES & TRANSFERS	\$ 926,395,792	\$ 106,539,981	11.5%	\$ 884,358,028	\$ 99,614,764	11.3%
Total Expenditures by Category						
Salaries and Benefits.....	\$ 281,122,202	\$ 36,899,519	13.1%	\$ 270,535,014	\$ 35,424,139	13.1%
Non Personnel (includes all school funds)	645,273,590	\$ 69,640,462	10.8%	613,793,014	\$ 64,190,626	10.5%
Total Expenditures	\$ 926,395,792	\$ 106,539,981	11.5%	\$ 884,328,028	\$ 99,614,764	11.3%



Short term rental represents approximately one fifth of the total transient lodging tax revenue. A portion of the short term rental revenue generated in the City is state transient lodging tax revenue to support WMATA Capital funding by the Northern Virginia Transportation District. This inclusion previously overstated the proportion of the City Transient Lodging revenue being generated from short term rentals.