

City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 17, 2025

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER

FROM: KEVIN C. GREENLIEF, DIRECTOR OF FINANCE

SUBJECT: MONTHLY FINANCIAL REPORT, PERIOD ENDING OCTOBER 31, 2025;
AND 2025 ANNUAL COMPREHENSIVE FINANCIAL REPORT UPDATE

Due to the docket calendar during the holidays, the monthly financial report through October is being presented as a memorandum.

As of October 31, 2025, General Fund revenues totaled \$180.1 million, an increase of \$2.4 million, or 1.4 percent, compared to the same period in FY 2025. 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 of tax payments is quite variable in these early months of the fiscal year.

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 City's largest revenue source, Real Estate tax, is remitted twice per year, in November and June. Personal Property tax revenue is due on October 5 each year. Personal Property tax levy is lagging slightly in FY 2026, consistent with the flattening of the vehicle growth rate as discussed during the November Council retreat.

Consumption taxes were trending negative at the start of the fiscal year but have shown slight improvement over the last two months. Notwithstanding, year-to-date receipts (updated through the month of November) still show a combined growth rate of less than 1% as shown in Attachment 3.

As of October 31, 2025, General Fund expenditures totaled \$189.4 million, a decrease of \$33.8 million, or 15.1 percent, compared to the same time period for FY 2025. The principal reason for that variance is the difference in timing of the transfer to Alexandria City Public Schools (ACPS) which occurred earlier in FY 2025. 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 four months of the fiscal year. No significant expenditure has occurred in the first four months of FY 2026 that is unbudgeted or unexpected. The most significant difference is the timing of payments or planned transfers.

In addition to the monthly financial report, staff can now report that the 2025 Annual Comprehensive Financial Report (ACFR) has been completed and the City has received a “clean opinion” from its independent certified public accountant firm, CliftonLarsonAllen, LLP (CLA) for the fiscal year ended June 30, 2025. The City’s federally funded programs are reported on the Schedule of Expenditures of Federal Awards (SEFA) and are still subject to be audited in accordance with the Single Audit Act. The Single Audit will be completed by the March 31, 2026 deadline.

Attachment 4 is the ACFR audit report from CLA, and Attachment 5 provides the final Popular Annual Financial Report (PAFR) for FY 2025.

ATTACHMENTS:

Attachment 1: Comparative Statement of General Fund Revenues
Attachment 2: Comparative Statement of General Fund Expenditures
Attachment 3: Year-To-Date Consumption Taxes, Updated Through November
Attachment 4: 2025 Independent Auditors’ Report
Attachment 5: Final 2025 Popular Annual Financial Report (PAFR)

STAFF:

Jane Christenson, Deputy City Manager
Morgan Routt, Director, Office and Management and Budget
Laura Gates, Deputy Director, Department of Finance
Davidia Thompson, Comptroller, Department of Finance

CITY OF ALEXANDRIA, VIRGINIA
COMPARATIVE STATEMENT OF REVENUES
GENERAL FUND
FOR THE PERIODS ENDING OCTOBER 31, 2025 AND OCTOBER 31, 2024

	FY 2026		FY 2026		%	FY 2025		FY 2025		%
	APPROVED	BUDGET	REVENUES	THRU 10/31/2025		OF BUDGET	APPROVED	BUDGET	REVENUES	
General Property Taxes										
Real Property Taxes.....	\$ 557,980,013	\$ 47,820,729	8.6%	\$ 545,370,119	\$ 48,764,732	8.9%				
Personal Property Taxes.....	81,046,000	62,255,575	76.8%	75,590,000	63,427,001	83.9%				
Penalties and Interest.....	5,175,699	1,331,893	25.7%	4,123,399	957,389	23.2%				
Total General Property Taxes	\$ 644,201,712	\$ 111,408,196	17.3%	\$ 625,083,518	\$ 113,149,123	18.1%				
Other Local Taxes										
Local Sales and Use Taxes.....	\$ 40,500,000	\$ 6,575,396	16.2%	\$ 41,192,000	\$ 6,585,935	16.0%				
Consumer Utility Taxes.....	14,065,000	2,589,833	18.4%	12,020,000	3,339,765	27.8%				
Communication Sales and Use Taxes.....	6,594,000	1,726,469	26.2%	6,700,000	1,127,537	16.8%				
Business License Taxes.....	45,017,145	1,054,870	2.3%	43,718,700	700,982	1.6%				
Transient Lodging Taxes.....	14,901,000	3,593,681	24.1%	14,901,000	4,178,200	28.0%				
Restaurant Meals Tax.....	32,850,000	8,047,618	24.5%	34,270,000	8,415,565	24.6%				
Tobacco Taxes.....	1,468,400	466,643	31.8%	1,948,999	331,592	17.0%				
Motor Vehicle License Tax.....	95,800	48,347	50.5%	95,800	230	0.2%				
Real Estate Recordation.....	5,100,000	895,208	17.6%	2,811,000	1,198,578	42.6%				
Admissions Tax.....	267,000	147,331	55.2%	441,600	129,350	29.3%				
Other Local Taxes.....	3,810,600	377,348	9.9%	3,650,060	235,197	6.4%				
Total Other Local Taxes	\$ 164,668,945	\$ 25,522,745	15.5%	\$ 161,749,159	\$ 26,242,931	16.2%				
Intergovernmental Revenues										
Revenue from the Fed. Government.....	\$ 8,157,740	\$ 1,985,433	24.3%	\$ 7,372,000	\$ 1,646,440	22.3%				
Personal Property Tax Relief from the Commonwealth.....	23,578,531	9,518,480	40.4%	23,578,531	11,789,265	50.0%				
Revenue from the Commonwealth.....	31,209,000	11,789,265	37.8%	31,551,357	8,681,827	27.5%				
Total Intergovernmental Revenues	\$ 62,945,271	\$ 23,293,178	37.0%	\$ 62,501,888	\$ 22,117,532	35.4%				
Other Governmental Revenues And Transfers In										
Fines and Forfeitures.....	\$ 5,694,500	\$ 1,677,028	29.4%	\$ 4,304,500	\$ 1,913,512	44.5%				
Licenses and Permits.....	3,039,000	2,026,325	66.7%	2,500,000	1,422,847	56.9%				
Charges for City Services.....	19,244,366	6,302,669	32.8%	18,997,239	3,889,719	20.5%				
Revenue from Use of Money & Prop.....	22,336,354	7,955,174	35.6%	24,194,038	7,485,564	30.9%				
Other Revenue.....	4,402,000	1,963,517	44.6%	2,441,000	1,494,185	61.2%				
Transfer from Other Funds.....	15,924,565	-	0.0%	10,631,458	-	0.0%				
Total Other Governmental Revenues	\$ 70,640,785	\$ 19,924,712	28.2%	\$ 63,068,235	\$ 16,205,826	25.7%				
TOTAL REVENUE	\$ 942,456,713	\$ 180,148,832	19.1%	\$ 912,402,800	\$ 177,715,413	19.5%				
Appropriated refunding bond proceeds.....										
Appropriated Fund Balance										
Operating Budget	\$ 13,992,992	\$ -	0.0%	\$ 14,149,295	\$ -	0.0%				
Cash Capital.....	-	-	0.0%	-	-	0.0%				
Encumbrances And Other.....	7,588,129	-	0.0%	6,488,820	-	0.0%				
Supplemental Appropriations.....	-	-	0.0%	-	-	0.0%				
TOTAL	\$ 964,037,834	\$ 180,148,832	18.7%	\$ 933,040,915	\$ 177,715,413	19.0%				

COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION
GENERAL FUND
FOR THE PERIODS ENDING OCTOBER 31, 2025 AND OCTOBER 31, 2024

FUNCTION	FY 2026 APPROVED BUDGET	FY2026 EXPENDITURES THRU 10/31/2025	% OF BUDGET EXPENDED	FY 2025 APPROVED BUDGET	FY2025 EXPENDITURES THRU 10/31/2024	% OF BUDGET EXPENDED
Legislative & Executive.....	\$ 7,993,816	\$ 2,315,602	29.0%	\$ 7,738,980	\$ 1,770,111	22.9%
Judicial Administration.....	\$ 53,852,320	\$ 18,508,220	34.4%	\$ 53,227,143	\$ 15,793,402	29.7%
Staff Agencies						
Communications.....	\$ 2,631,656	\$ 769,855	29.3%	\$ 2,493,855	\$ 687,929	27.6%
Human Rights.....	\$ 1,219,498	\$ 287,881	23.6%	\$ 1,184,429	\$ 216,911	18.3%
Information Technology Services.....	\$ 19,572,599	\$ 8,702,258	44.5%	\$ 16,888,393	\$ 5,032,294	29.8%
Management & Budget.....	\$ 1,885,167	\$ 565,302	30.0%	\$ 1,768,735	\$ 514,752	29.1%
Finance.....	\$ 15,260,408	\$ 4,496,567	29.5%	\$ 14,850,655	\$ 4,271,681	28.8%
Performance and Accountability.....	\$ 1,140,122	\$ 414,960	36.4%	\$ 958,791	\$ 352,410	36.8%
Internal Audit.....	\$ 497,379	\$ 166,879	33.6%	\$ 519,885	\$ 172,361	33.2%
Human Resources.....	\$ 6,413,443	\$ 2,211,891	34.5%	\$ 5,899,006	\$ 1,159,731	19.7%
Planning & Zoning.....	\$ 8,793,970	\$ 2,672,575	30.4%	\$ 7,864,032	\$ 2,090,413	26.6%
Economic Development Activities.....	\$ 9,068,698	\$ 4,450,554	49.1%	\$ 9,097,318	\$ 2,312,761	25.4%
City Attorney.....	\$ 4,510,800	\$ 1,743,153	38.6%	\$ 4,455,122	\$ 1,391,217	31.2%
Registrar.....	\$ 2,034,960	\$ 570,420	28.0%	\$ 2,150,139	\$ 623,639	29.0%
General Services.....	\$ 15,259,843	\$ 4,236,945	27.8%	\$ 15,925,466	\$ 4,209,056	26.4%
	Total Staff Agencies	\$ 88,288,542	\$ 31,289,240	35.4%	\$ 84,055,827	\$ 23,035,154
Operating Agencies						
Transportation & Environmental Services.....	\$ 28,968,424	\$ 7,627,721	26.3%	\$ 31,926,228	\$ 7,118,505	22.3%
Fire.....	\$ 69,691,354	\$ 22,685,012	32.6%	\$ 70,173,516	\$ 18,221,959	26.0%
Police.....	\$ 73,496,127	\$ 22,124,685	30.1%	\$ 71,576,799	\$ 20,397,663	28.5%
Community Policing Review.....	\$ 620,884	\$ 95,547	15.4%	\$ 653,618	\$ 146,850	22.5%
Emergency Communications.....	\$ 10,195,918	\$ 3,306,495	32.4%	\$ 10,165,444	\$ 3,110,160	30.6%
Transit Subsidies.....	\$ 14,178,686	\$ 694,719	4.9%	\$ 16,954,438	\$ 704,208	4.2%
Housing.....	\$ 2,203,661	\$ 696,806	31.6%	\$ 2,343,231	\$ 704,192	30.1%
Community and Human Services.....	\$ 17,215,636	\$ 5,909,979	34.3%	\$ 16,846,737	\$ 5,283,147	31.4%
Health.....	\$ 11,095,250	\$ 4,534,683	40.9%	\$ 10,995,493	\$ 2,935,821	26.7%
Historic Resources.....	\$ 4,954,716	\$ 1,643,176	33.2%	\$ 4,532,856	\$ 1,572,857	34.7%
Recreation.....	\$ 31,683,923	\$ 10,092,386	31.9%	\$ 29,739,013	\$ 8,363,519	28.1%
	Total Operating Agencies	\$ 264,304,578	\$ 79,411,209	30.0%	\$ 265,907,373	\$ 68,558,883
Education						
Schools.....	\$ 282,384,561	\$ -	0.0%	\$ 273,034,300	\$ 57,064,169	20.9%
Other Educational Activities.....	\$ 15,449	\$ 7,725	50.0%	\$ 15,570	\$ 3,862	24.8%
	Total Education	\$ 282,400,010	\$ 7,725	0.0%	\$ 273,049,870	\$ 57,068,031
Capital, Debt Service and Miscellaneous						
Debt Service - City.....	\$ 57,703,661	\$ 28,553,699	49.5%	\$ 49,638,949	\$ 27,767,753	55.9%
Debt Service - Schools.....	\$ 47,834,265	\$ 23,669,992	49.5%	\$ 45,527,862	\$ 24,624,234	54.1%
Expenses on Refunding Bonds.....	\$ 20,000	\$ -	0.0%	\$ -	\$ -	0.0%
Non-Departmental.....	\$ 11,128,712	\$ 5,061,471	45.5%	\$ 10,956,126	\$ 4,046,680	36.9%
General Cash Capital.....	\$ 32,754,924	\$ -	0.0%	\$ 25,502,752	\$ -	0.0%
Contingent Reserves.....	\$ 898,055	\$ -	0.0%	\$ 2,530,575	\$ -	0.0%
	Total Capital, Debt Service and Miscellaneous	\$ 150,339,617	\$ 57,285,162	38.1%	\$ 134,156,264	\$ 56,438,667
	TOTAL EXPENDITURES	\$ 847,178,884	\$ 188,817,158	22.3%	\$ 818,135,456	\$ 222,664,247
	Transfers to Special Revenue /Capital Projects Funds...	\$ 61,502,301	\$ -	0.0%	\$ 62,009,651	\$ 0.0%
	Transfer to Housing.....	\$ 9,789,776	\$ -	0.0%	\$ 9,919,184	\$ 0.0%
	Transfer to Library.....	\$ 9,312,456	\$ 59	0.0%	\$ 9,158,121	\$ 27
	Transfer to DASH.....	\$ 36,254,417	\$ 588,568	1.6%	\$ 33,818,503	\$ 520,196
	TOTAL EXPENDITURES & TRANSFERS	\$ 964,037,834	\$ 189,405,785	19.6%	\$ 933,040,915	\$ 223,184,470
Total Expenditures by Category						
Salaries and Benefits.....	\$ 286,616,286	\$ 90,865,998	31.7%	\$ 283,936,736	\$ 77,802,572	27.4%
Non Personnel (includes all school funds)	\$ 677,421,548	\$ 98,539,787	14.5%	\$ 649,104,179	\$ 145,381,899	22.4%
Total Expenditures	\$ 964,037,834	\$ 189,405,785	19.6%	\$ 933,040,915	\$ 223,184,470	23.9%